act, and for the eight-hour law—to the Committee on the Judiciary.

By Mr. LANING: Petitions of John Fulmer and others, of Mansfield, Ohio, and T. H. Nash and others, of Norwalk, Ohio, for amendment to Sherman antitrust law, and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

Also, petitions of Ira F. France and others and J. E. Brown and others, of Mansfield, Ohio, in favor of H. R. 15837, for a national highways commission and appropriation giving Federal aid to construction and maintenance of public highways—to the Committee on Agriculture.

Also, petitions of Emil Alderman and Arthur Baylau, of Mansfield, Ohio, against any amendment or treaty provision to extend right of naturalization, and for a more stringent immigration law, etc.—to the Committee on Immigration and Naturalization.

By Mr. LINDBERGH: Petitions of William Baumgarten, Val Faust, Henry Anderson, William Baumgarten, and F. E. Kinsmiller, of Brainerd, Minn., for amendment to Sherman antitrust law, and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. LORIMER: Petitions of W. E. Stockton, delegate, Division No. 294, of Chicago; William Arnold, Division No. 60, of Rock Island; C. M. Smith, delegate, Division No. 241, and W. H. Muloey, representative of Division No. 253, of Chicago, Brotherhood of Locomotive Engineers, favoring the Rodenberg-Hemenway-Graff safety ash-pan bill (H. R. 17137 and 19795)—to the Committee on the Judiciary.

By Mr. LOUD: Petition of Local Union No. 25, International Longshoremen's Association, of Bay City, for legislation and modification of the Sherman antitrust law, for employers' liability law, for limitation on injunction, and for the extension of the eight-hour law—to the Committee on the Judiciary.

By Mr. LOVERING: Petition of M. E. Wiles and others, of Brewster, Mass., in favor of H. R. 15837, for a national highways commission and appropriation giving Federal aid to construction and maintenance of public highways—to the Committee on Agriculture.

By Mr. MANN: Petition of Trades League of Philadelphia, favoring the Fowler currency-commission bill—to the Committee on Banking and Currency.

Also, petitions of citizens of La Salle and Chicago, Ill., favoring bills affecting labor, amendment to Sherman antitrust law, the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. NICHOLLS: Petition of citizens of Scranton, Pa., for amendment to the Sherman antitrust law, and for Pearre bill, employers' liability bill, and eight-hour law—to the Committee on the Judiciary.

By Mr. PETERS: Petitions of E. A. Maddacks and others and Charles V. Cullen and others, of Boston, Mass., for legislation to modify the Sherman antitrust law, to establish employers' liability, to regulate the issuance of injunctions, and to extend the eight-hour law—to the Committee on the Judiciary.

By Mr. SMITH of Iowa: Petitions of labor organizations of Council Bluffs and Missouri Valley, Iowa, for the amendment to the Sherman antitrust law known as the "Wilson bill" (H. R. 20584), for the Pearre bill (H. R. 94), the employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. TAYLOR of Ohio: Petitions of Carpenters' Union, sundry citizens, and Iron Molders' Union, all of Columbus, Ohio, for the exemption of labor unions from the operations of the Sherman antitrust law, for the Pearre bill regulating injunctions, for the employers' liability act, and for the eight-hour law—to the Committee on the Judiciary.

Also, petition of J. W. McGuire, vice-master Brotherhood of Railway Trainmen, for the Rodenberg anti-injunction bill and Hemenway-Graff safety-appliance bill—to the Committee on the Judiciary.

By Mr. VOLSTEAD: Petition of Twin City Foundrymen's Association, against anti-injunction legislation—to the Committee on the Judiciary.

By Mr. WILSON of Pennsylvania: Petition of Boston Branch, No. 2, National League of Navy-Yards and Naval Stations. Arsenals and Gun Factories, for S. 5555 and H. R. 16734, relating to compensation of civilian Government employees for injury in line of service—to the Committee on Naval Affairs.

Also, petition of Lumber City Lodge, No. 524, Brotherhood of Railway Trainmen, of Galeton, Pa., for amendment to Sherman antitrust law and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

SENATE.

MONDAY, *May 18, 1908.*

Prayer by Rev. ULYSSES G. B. PIERCE, of the city of Washington.

The Secretary proceeded to read the Journal of the proceedings of Saturday last, when, on request of Mr. KEAN, and by unanimous consent, the further reading was dispensed with.

The VICE-PRESIDENT. The Journal stands approved.

ESTIMATES OF APPROPRIATION.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Acting Secretary of the Navy submitting a supplemental estimate of deficiency in the appropriation for pay of the Navy for the fiscal year ended June 30, 1908, to meet certain increases in the pay of officers and enlisted men of the Navy, etc., $457,363.50, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from assistant treasurer of the United States at St. Louis, relative to the urgent need in his office of one additional day watchman and coin counter at $900 and one night watchman at $720, and recommending that the provision be included in the general deficiency appropriation bill, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Navy submitting an estimate of appropriation for inclusion in the general deficiency appropriation bill for prizes for economy in the expenditure for coal, to be awarded by the Secretary of the Navy, $2,500, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Acting Surgeon-General, Public Health and Marine-Hospital Service, submitting the claim of the Southern Pacific Company for damages amounting to $1,517.08 inflicted upon the ferry steamer *Encinal*, at San Francisco, Cal., by the quarantine steamer *Argonaut*, in collision September 10, 1907, etc., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, presenting certain estimates of appropriations and requesting that they be included in an appropriation bill and that the money provided therein may be available during the coming fiscal year, contingent expenses, Treasury Department, rent of buildings, 1909, $13,000; shelving and transferring records, etc., $10,500, etc., which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, requesting that an increase be made in the estimate of appropriations for the coming fiscal year for the purchase of horses and wagons for office and mail service, Treasury Department, to be used only for official purposes, etc., from $3,500 to $5,000, which was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had passed the joint resolution (S. R. 90) to amend an act authorizing the construction of bridges across navigable waters, etc.

The message also announced that the House had passed the bill (S. 4186) creating in the State of Minnesota a national forest consisting of certain described lands, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 21844. An act granting to certain employees of the United States the right to receive from it compensation for injuries sustained in the course of their employment; and

H. R. 21899. An act providing for the appointment of an Inland Waterways Commission with the view to the improvement of the inland waterways of the United States.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to

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the bill (H. R. 20345) making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1909.

PROPOSED FINANCIAL LEGISLATION.

Mr. TAYLOR. Mr. President, I give notice that I shall address the Senate to-morrow after the close of the morning business on the resolution submitted by the Senator from Nevada [Mr. NEWLANDS] instructing the Finance Committee to report certain amendments to House bill No. 21871, the finance bill.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a concurrent resolution of the legislature of Oklahoma, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

House concurrent resolution 39.

Be it resolved by the house of representatives (the senate concurring therein) That the proposed amendments to the Constitution of the United States, as proposed and proclaimed by the Hon. C. N. Haskell as chairman of the senatorial direct-election committee, be, and the same are hereby, heartily indorsed.

Resolved further, That our Senators and Representatives in Congress be, and they are hereby, requested to use their best endeavors to secure the submission of the proposed amendments to the legislatures of the several States of the Union for their ratification.

WILLIAM H. MURRAY,
Speaker of the House of Representatives.
GEO. W. BELLAMY,
President of the Senate.

"IN UNITY THERE IS STRENGTH."

State of Oklahoma—Executive proclamation:

Government is the source from which must spring protection to life, liberty, and the acquisition and enjoyment of property.

Government must be made and executed by man.

Government that does not protect honest capital and enterprise and honest toil alike fails of its proper purpose.

Our form of Government, with its distinct legislative, executive, and judicial branches, should owe the tenure of office direct to the people.

Official position should never be found on the bargain counter, where selfish interest, greedy for riches at the expense of the comfort of the toiling masses, or the morals and happiness of humanity, can buy power with the gold unjustly wrung from honest hands and needy homes.

Government is neither spontaneous nor automatic. It will not create nor operate itself.

The honest people or the special interest will rule.

Which shall it be?

Shall the creatures of God or the creatures of the legislature rule the country?

The past and the present warn us—the General Government must be brought nearer the people.

Bring the United States Senate nearer the people, that just laws may be given us.

Such as to define the duties and render wholesome the administration of the executive and judiciary.

PARTY PLATFORMS AND POLITICAL SPEECH.

All pledges of future action are stale with age and the path of the past is strewn with wrecks of the people's fondest hopes.

Loud acclaim and fierce denunciation still leave the people with empty hands.

The people must act!

When? Now!

Amend the Federal Constitution.

How?

(*a*) Elect United States Senators by direct vote.

(*b*) Legalize an income tax.

(*c*) Make constitutional an employers' liability law.

(*d*) Cease to interrupt the States in regulation of carrying charges within the State and the prohibition of merging of competing common carriers.

(*e*) Leave to every State the right of its own people to enforce morality and protection to honest labor, without Federal aid being given the enemy of both.

The preamble and resolutions below tell the story in detail.

The party pledge of legislation along any of these lines is an uncertain subterfuge.

Write them all in the Constitution and you then have certainty, but not otherwise.

Senator ——— of Oklahoma, in the Senate, and Representative ——— in the House, introduced these five proposed amendments on ———, 1908. Congress will soon adjourn.

The people are all powerful in action, but graft, greed, and monopoly rule when the people are silent.

By virtue of the power vested in me, I, C. N. Haskell, governor of the State of Oklahoma, and in the interest of government rendering equal and exact justice to both the rich and the poor, do proclaim Thursday, May 7, 1908, a legal holiday throughout our State.

That with the suspension of all legal business our people may assemble and confer together I urge that all advocates of good government—

The farmers in their lodge rooms.

The commercial clubs in their halls.

The laborers in their unions.

All societies for the promotion of morals and intelligence.

All you who believe that the laborer is worthy of his hire, that the home is sacred, and domestic happiness should be promoted—

May so assemble and adopt resolutions demanding your Congressmen and Senators' support of these five amendments to the Constitution, and before you rest mail your resolution to Washington.

Go after reforms in a practical manner—all promise and no results discredit your sincerity.

Your duty done, let us pray that beyond our own small State (weak alone in this fight for good government) that our sister States throughout the Union may add their power.

Let us hope that from ocean to ocean the voice of such people assembled in every community, in every State, may add its command.

DO IT NOW! ACTION DEFERRED IS OPPORTUNITY LOST.

Done at the city of Guthrie this 29th day of April, in the year of Our Lord 1908, and of the Independence of the United States the one hundred and thirty-second.

C. N. HASKELL, *Governor.*

Attest:
BILL CROSS, *Secretary of State.*

To the Sixtieth Congress of the United States:

Whereas in the Constitution of the United States it was contemplated that lapse of time and changing conditions would necessitate amendments of and additions to the original document, and therefore the making of amendments and additions thereto were provided for.

Time has demonstrated that government by the people, of the people, and for the people can not be obtained by the present method of electing the upper house of the legislative branch of the Federal Government, therefore an overwhelming majority of the people of the entire United States have in various conclusive ways given evidence of their desire that the Constitution should be amended, to the end that United States Senators may be elected by direct vote of the people of the respective States, to the end that our Government in practice, as well as in theory, may justify the motto:

"LET THE PEOPLE RULE."

Whereas government devised for the protection of life, liberty, and the right of property necessarily incurs the burden of taxation, direct and indirect; and

Whereas indirect taxation is far too often made an excuse for special privileges to a favored class and a burden upon the toiling masses of the United States; and

Whereas great estates and accumulations of property necessitate a greater share of supervision and expense to government, therefore it is fair and just that an income tax be authorized by the Constitution of the United States, affording a source from which a portion of the expense of Government may be obtained, and to this end the Constitution of the United States should be so amended as to make the assessment and collection of an income tax constitutional.

Whereas it should be the policy of our Government to protect the toiling masses to the fullest degree of justice in case of disability or death while in the service of interstate carriers and free from responsibility on account of the negligence of his fellow-servant or coemployee, it is therefore essential that the laws of Congress upon this subject should not be hampered or their validity endangered by the narrow provisions of the Constitution as at present. Distinct power should be given Congress to legislate as in its wisdom may fully protect the employee.

Whereas the conditions and necessities of the different States render it indispensable that each State have unrestricted the right to regulate the charges of common carriers and the conduct of transportation business and the right to prohibit the consolidation or combination or merber of competing carriers to the end that reasonable competition shall not be destroyed; and

Whereas time has demonstrated that Federal control of this vast subject is inadequate to the needs of the States, and it being within the power and province of the State to regulate its internal affairs, this subject should have the emphasis of a direct provision of the Federal Constitution—not that the States have ever surrendered this right, but that judicial legislation may not further encroach upon the just rights and powers of the State.

Whereas it has always been the policy of free government to permit the people of the States by their own voice (the majority controlling) to formulate and execute the laws for their local regulation, and where a State, by its people, have elected to prohibit the importation or use of any products affecting the morals and health of the community or the protection of its honest labor, by the exclusion of convict-made goods, the Federal Government should never aid or connive at the violation of such as has been declared to be the expressed will of the people of such State, to the end that doubt on this subject may be cleared away and a definite limit put upon legislation by our Federal judiciary, an amendment of the Constitution is essential.

AMEND THE CONSTITUTION.

There are two methods of securing the submission of amendments to the Constitution of the United States:

(*a*) The Congress of the United States may formulate and submit amendments on its own motion to the several States for their ratification; but as to this method the people of our country have waited long, weary years in vain, but with a last appeal to that method the five articles proposed herewith are submitted for the voluntary action of our Congress.

(*b*) Wise, indeed, were those who framed the Constitution of our country in the provision of another method for its amendment. In Article V it is provided that the several States, the source of all Federal power, may, by resolution of the legislative body, two-thirds of the States joining therein and addressing such request to the Congress, make it mandatory upon the Congress of the United States to convene a convention of the States of the Union for the purpose of formulating any and all such amendments to the Federal Constitution as said convention, when assembled, may deem wise and proper, and the Congress shall also provide that all amendments proposed by such convention shall be submitted to the several States for ratification. It is to be hoped that Congress will not, by their failure to act, make necessary the delay and expense incident to such convention by refusing to submit the attached five articles and such additional articles as the people may demand by a reasonable representation of the people.

The action of twenty-seven States of the Union, in requesting a convention of the States, must impress the Congress that patience has almost ceased to be a virtue and that Congress has not listened with even diligence and justice to the source of all power—the people of our country.

Can there be any better evidence of the demand for a constitutional convention of the States than that expressed in the resolutions filed herewith, adopted by the twenty-seven of our grand and glorious States following:

Pennsylvania, Indiana, Texas, California, Nevada, Missouri, Nebraska, Arkansas, Wyoming, North Carolina, Illinois, Colorado, Louisiana, Kansas, Montana, Wisconsin, Oregon, Michigan, Tennessee, Idaho, South Dakota, Washington, Utah, Kentucky, Minnesota, Iowa, and Oklahoma.

Of the nineteen remaining States, more than two-thirds of them stand ready to join with their sister States in this demand, awaiting only the convening of their legislative bodies.

Shall Congress defer longer the submission of these needed amendments to the Constitution, when, by the States above named, substantially two-thirds of the population of the United States have united in a call for such convention?

Shall the people have the opportunity to pass upon these questions without further hindrance or delay, or must a campaign be waged to remind Congress that it is the servant of a free and independent people?

The State of Oklahoma has created its commission and directed the presentation to Congress of the matters and things herewith, and humbly prays that the justice of these demands may appeal to the honorable Congress of the United States.

Respectfully, C. N. HASKELL,
Governor of the State of Oklahoma.

PROPOSED AMENDMENTS.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of both Houses concurring), That the following articles be proposed to the legislatures of the several States as amendments to the Constitution of the United States, all or any of which articles, when ratified by three-fourths of the State legislatures, to be valid to all intents and purposes as part of the said Constitution, viz.:

ART. 16. The Senate of the United States shall be composed of two Senators from each State, chosen by the electors thereof for six years, and each Senator shall have one vote, and the electors in each State shall have the qualifications requisite for election of Members of the House of Representatives. They shall be divided as equally as may be into three classes, so that one-third may be chosen every second year; and if vacancies happen, by resignation or otherwise, the governor may make temporary appointments until the next regular election in such State. No person shall be a Senator who shall not have attained the age of 30 years, and been nine years a citizen of the United States, and who shall not when elected be an elector of the State for which he shall be chosen. The Vice-President of the United States shall be President of the Senate, but shall have no vote unless they be equally divided. The Senate shall choose their own officers, and also a President pro tempore, in the absence of the Vice-President or when he shall exercise the office of the President of the United States.

ART. 17. The Congress shall have power to provide for the collection of a uniform tax upon the gains, profits, and income received by every citizen or person of the United States, including every corporation, association, or company doing business for profit in the United States, subject to such exemptions as it may deem proper.

ART. 18. The Congress shall have power to define and regulate the liability of common carriers engaged in interstate or foreign commerce to their servants or employees for injuries resulting from the negligence of fellow-servants or coemployees.

ART. 19. No State shall be denied the right to regulate the charges of common carriers for the carriage of freight or passengers wholly within the State, or to regulate or prohibit the consolidation or combination of competing carriers.

ART. 20. No State shall be denied the right to regulate or prohibit the shipment into the State of any article or articles of commerce injurious to public health or morals, or the product in whole or in part of convict labor.

Senatorial direct election commission of the State of Oklahoma:

Hon. C. N. HASKELL,
Governor, Ex-Officio, Guthrie.
Hon. WM. H. MURRAY,
Speaker House of Representatives, Tishomingo.
Hon. CLARENCE B. DOUGLAS,
Muskogee.
Hon. THOS. H. DOYLE,
Ex-Member of Sixth Legislative Assembly of Oklahoma Territory, Perry.
Hon. JOHN THREADGILL,
Ex-Member of Seventh and Eighth Legislative Assemblies of Oklahoma Territory, Oklahoma City.
Hon. GEO. H. EVANS,
Chickasha.
Hon. T. B. FERGUSON,
Ex-Governor of Oklahoma Territory, Watonga.
Hon. JESSE J. DUNN,
Associate Justice of the Supreme Court, Guthrie.
Hon. D. L. SLEEPER,
Ex-Speaker of Ohio House of Representatives, Tulsa.

The VICE-PRESIDENT presented a petition of sundry citizens of Madison, Me., and a petition of sundry citizens of Berlin, N. H., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented a petition of the National Society, Daughters of the American Revolution, praying that an appropriation of $50,000 be made to mark the Oregon trail, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the South Carolina Bankers' Association, adopted at a meeting held in Spartansburg, S. C., praying for the appointment of a currency commission, which was referred to the Committee on Finance.

Mr. NELSON presented a memorial of the Association of Builders' Exchange of the State of Minnesota, remonstrating against the passage of the so-called "anti-injunction bill," which was referred to the Committee on the Judiciary.

Mr. McLAURIN presented a petition of the Mississippi River Mound Association, of Greenville, Miss., praying for the enactment of legislation for the relief of Henry L. Blake and others, which was referred to the Committee on Claims.

Mr. FRYE presented petitions of sundry citizens of Madison and Lewiston, in the State of Maine, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. BRANDEGEE presented petitions of sundry citizens of Norwich, Hartford, and Bristol, all in the State of Connecticut, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented a petition of the Manufacturers' Association of Hartford, Conn., praying for the enactment of legislation to increase the efficiency of the Patent Office, which was referred to the Committee on Patents.

Mr. CULLOM presented petitions of sundry citizens of Galesburg, Peoria, Glenanee, Kewanee, Edwardsville, Springfield, Taylorville, and Chicago Heights, all in the State of Illinois, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. WETMORE presented a petition of Local Union No. 632, United Brotherhood of Carpenters and Joiners, of Providence, R. I., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which was referred to the Committee on the Judiciary.

He also presented a petition of Woman's Home Missionary Society of the Methodist Episcopal Church, of Woonsocket, R. I., praying for the enactment of legislation to prohibit polygamy in the United States or in any territory subject to its jurisdiction, which was referred to the Committee on the Judiciary.

Mr. NIXON presented petitions of sundry citizens of Tonopah, Goldfield, and Ely, in the State of Nevada, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. SMITH of Maryland presented petitions of sundry citizens and labor organizations of Baltimore, Md., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. WARREN presented a petition of sundry citizens of Hanna, Wyo., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which was referred to the Committee on the Judiciary.

Mr. BURNHAM presented petitions of sundry citizens and labor organizations of Berlin, Franklin, Lebanon, Manchester, and Cascade, all in the State of New Hampshire, and of Kittery, Me., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented a petition of the New Hampshire Retail Grocers and General Merchants' Association of Laconia, N. H., praying for the enactment of legislation providing for a reduction of the postage on first-class mail matter, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of the Improvement Association of Wilton, N. H., praying for the enactment of legislation to establish a national forest reserve in the Southern Appalachian and White Mountains, which was ordered to lie on the table.

He also presented the petition of E. Dwight Sanderson, director of the New Hampshire Agricultural Experiment Station of Durham, N. H., praying for the enactment of legislation to prohibit the manufacture, sale, or transportation of adulterated or misbranded fungicides, Paris greens, etc., and for regulating traffic therein, which was referred to the Committee on Manufactures.

He also presented a memorial of Local Union No. 31, International Brotherhood of Paper Makers, Pulp, Sulphite, and Paper Mill Workers, of Franklin, N. H., remonstrating against the repeal of the duty on white paper, wood pulp, and the materials used in the manufacture thereof, which was referred to the Committee on Finance.

He also presented a petition of the Contoocook Valley Methodist Episcopal Social Union, of Hillsboro, N. H., praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors, which was ordered to lie on the table.

He also presented a memorial of the Central Labor Union, American Federation of Labor, of Nashua, N. H., remonstrating against the enactment of legislation to extend the right of naturalization, which was referred to the Committee on Immigration.

Mr. ANKENY presented sundry petitions of citizens of Seattle, Wash., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented a petition of Mountain Valley Grange, No. 79, Patrons of Husbandry, of Amboy, Wash., praying for the enactment of legislation to establish postal savings banks, which was ordered to lie on the table.

He also presented a petition of the Lumbermen's Freight Committee of Seattle, Wash., praying for the adoption of a certain amendment to the present interstate-commerce law pro-

viding for an investigation of advances in freight rates by railroads before they become effective, which was referred to the Committee on Interstate Commerce.

Mr. SCOTT presented petitions of sundry citizens of Clarksburg and Charleston, in the State of West Virginia, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. KNOX presented a petition of the Society of Survivors of the Mississippi River Ram Fleet and Marine Brigade, of Allegheny, Pa., praying for the enactment of legislation applying the provisions of the act of June 27, 1890, to the men of the Mississippi River Ram Fleet and Marine Brigade and to their widows and minor children, which was referred to the Committee on Pensions.

He also presented a petition of Union No. 947, United Brotherhood of Carpenters and Joiners of America, of Ridgway; sundry citizens of St. Marys; Oscar Van Cookenberger, of Dunlo; Theodore Eichhorn, of Erie; George A. Cook, of Erie; Union No. 280, United Mine Workers of America, of New Castle; sundry citizens of Philadelphia; C. W. Swanson, of Warren; John Rieger, of Brackenridge; sundry citizens of McCance; sundry citizens of Allentown; William Wakefield, of Rochester; 63 citizens of Pittsburg; 13 citizens of New Castle; Nail Mill Lodge, No. 65, Amalgamated Association of Iron, Steel, and Tin Workers, of Danville; Iron Molders' Union No. 77, of Allegheny City; Iron Molders' Union No. 150, of New Castle; Sheet Metal Workers' Union No. 166, of New Castle; International Molders' Union No. 327, of Monaca; Branch No. 102, Glass Bottle Blowers' Association, of Parkers Landing; Tin City Lodge, No. 2, International Protective Association, of New Castle; Union No. 35, Brotherhood of Carpenters and Joiners, of Allentown; Local No. 58, Wood, Wire, and Metal Lathers' International Union, of Philadelphia; Central Trades Council of Pittsburg; Philadelphia Board of Trade, of Philadelphia; Division No. 477, Amalgamated Association of Street and Electric Railway Employees of America, of Philadelphia; Retail Clerks' International Protective Association of Lebanon; Cigar Makers' Union No. 232, of Sellersville; Central Labor Union of Erie; Branch No. 108, Glass Bottle Blowers' Association, of St. Marys; Central Labor Union of Lebanon; Central Trades Council of Connellsville; Cigar Makers' Union of Easton; Carpenters' Union No. 206, of New Castle; sundry citizens of Allentown; Spring City and Royersford Trades Council; Branch No. 115, Glass Bottle Blowers' Association, of Port Marion; Branch No. 76, Glass Bottle Blowers' Association, of Sharpsburg; Branch No. 112, Glass Bottle Blowers' Association of Hazelhurst; Branch No. 72, Glass Bottle Blowers' Association, of Smithport; Central Labor Union of Honesdale; Central Labor Union of Carbondale; sundry citizens of New Castle; sundry citizens of Hamburg; sundry citizens of Lancaster; William A. Paterson, of Tarentum; Local Union No. 1339, United Mine Workers, of Castle Shannon; J. V. Long, of Royersford; Irwin Shelly, of Royersford; sundry citizens of Spring City and vicinity, and 28 citizens of Smithport, all in the State of Pennsylvania, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented memorials of the Standard Underground Cable Company, of Pittsburg; W. O. Hickok Manufacturing Company, of Harrisburg; Hughes & Muller, of Philadelphia; Merchant Tailors' Local Protective Association of Philadelphia; the Master Builders' Association of Allegheny County; the Builders' Exchange League of Allegheny County; United Engine and Foundry Company, of Pittsburg; Monongahela Tube Company, of Pittsburg, and Lockhart Iron and Steel Company, of Pittsburg, all in the State of Pennsylvania, remonstrating against the passage of an anti-injunction measure and also against the passage of certain amendments to the Sherman antitrust law relating to labor organizations, which were referred to the Committee on the Judiciary.

He also presented petitions of the Trades League of Philadelphia and the Scranton Board of Trade, in the State of Pennsylvania, praying for the enactment of legislation to establish a national forest reserve in the Southern Appalachian and White Mountains, which were ordered to lie on the table.

He also presented petitions of H. I. Rice and sundry citizens of Mansfield, H. S. Burt and sundry other citizens of Ulysses, Albert Deming and sundry other citizens of Lawrenceville, F. E. Tyler and sundry other citizens of Conneautville, W. H. Deveraux and sundry other citizens of Wilcox, M. A. Setzer and sundry other citizens of Cressona, E. E. Johnson and sundry other citizens of Hop Bottom, John G. Foster and sundry other citizens of Cherry Ridge, A. B. Wheeler and sundry other citizens of Wellsboro, A. L. Brant and sundry other citizens of Great Bend, J. A. Drake and sundry other citizens of Centerville, S. F. Moyer and sundry other citizens of Alexandria, B. T. Hills and sundry other citizens of Edinboro, all in the State of Pennsylvania, praying for the enactment of legislation providing additional protection to the dairy interest of the country, which were referred to the Committee on Agriculture and Forestry.

He also presented petitions of Council No. 425, Knights of Columbus, of Corry; Council No. 875, Knights of Columbus, of Crafton; Council No. 385, Knights of Columbus, of Oil City; Council No. 911, Knights of Columbus, of Braddock; Council No. 972, Knights of Columbus, of Sharpsburg; Council No. 491, Knights of Columbus, of Pittsburg; Council No. 956, Knights of Columbus, of Charleroi; Council No. 285, Knights of Columbus, of Allegheny, all in the State of Pennsylvania, praying for the enactment of legislation providing that October 12 be declared a national holiday in honor of the anniversary of the discovery of America by Columbus, which were referred to the Committee on the Judiciary.

Mr. BROWN presented a petition of Master Lodge No. 101, Brotherhood of Railroad Trainmen, of Norfolk, Nebr., praying for the passage of the so-called "Rodenberg anti-injuction bill," which was referred to the Committee on the Judiciary.

Mr. BURKETT presented a petition of sundry citizens of South Omaha, Nebr., praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which was referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of Gothenburg, Cortland, Lincoln, Hartington, College View, and Hastings, all in the State of Nebraska; of the faculty and students of Walla Walla College, of Walla Walla, Wash., and of the Religious Liberty Bureau, of Washington, D. C., remonstrating against the enactment of legislation to protect the first day of the week as a day of rest in the District of Columbia, which were ordered to lie on the table.

Mr. PILES presented a petition of the Lumbermen's freight-rate committee of Seattle, Wash., praying for the adoption of a certain amendment to the interstate-commerce law, which was referred to the Committee on Interstate Commerce.

REPORTS OF A COMMITTEE.

Mr. CLARK of Wyoming, from the Committee on the Judiciary, to whom was referred the bill (S. 4062) to amend section 5481 of the Revised Statutes of the United States, reported it without amendment, and submitted a report (No. 669) thereon.

He also, from the same committee, reported an amendment proposing to appropriate $10,000 for salaries of district attorneys and marshals for Oklahoma, from November 16, 1907, to June 30, 1908, at the rate of $4,000 per annum each, intended to be proposed to the general deficiency appropriation bill, and moved that it be printed and referred to the Committee on Appropriations, which was agreed to.

Mr. DEPEW, from the Committee on the Judiciary, to whom was referred the bill (H. R. 21844) granting to certain employees of the United States the right to receive from it compensation for injuries sustained in the course of their employment, reported it without amendment and submitted a report (No. 670) thereon.

Mr. FULTON, from the Committee on the Judiciary, to whom was referred the bill (H. R. 13649) providing for the hearing of cases upon appeal from the district court for the district of Alaska in the circuit court of appeals for the ninth circuit, reported it without amendment and submitted a report (No. 672) thereon.

CALVIN P. LYNN.

Mr. CURTIS. I report back favorably from the Committee on Pensions, without amendment, the bill (S. 4341) granting an increase of pension to Calvin P. Lynn, and I submit a report (No. 667) thereon. I ask unanimous consent for its immediate consideration.

There being no objection, the bill was considered as in Committee of the Whole. It proposes to place on the pension roll the name of Calvin P. Lynn, late of Company G, One hundred and fourth Regiment Illinois Volunteer Infantry, and to pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BYRON C. MITCHELL.

Mr. CURTIS. I report back from the Committee on Pensions favorably with an amendment the bill (S. 5412) granting an increase of pension to Byron C. Mitchell, and I submit a report (No. 666) thereon. I ask unanimous consent for its immediate consideration.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, in line 8, before the word "dollars," to strike out "thirty" and insert "twenty-four," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Byron C. Mitchell, late of Company F, One hundred and thirty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $24 per month in lieu of that he is now receiving.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMPLOYMENT OF STENOGRAPHER.

Mr. KEAN, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred the resolution submitted by Mr. FLINT on the 16th instant, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Irrigation be, and the same is hereby, authorized to employ a stenographer from time to time, as may be necessary, to report such hearings as may be had on bills or other matters pending before said committee, and that such stenographer be paid out of the contingent fund of the Senate.

HARRY S. LEE.

Mr. SMITH of Michigan. I report back favorably from the Committee on Pensions with an amendment the bill (S. 7123) granting an increase of pension to Harry S. Lee, and I submit a report (No. 668) thereon. I ask for its present consideration.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, in line 6, after the name "Harry S. Lee," to insert "formerly Albert Lee Alleman," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Harry S. Lee, formerly Albert Lee Alleman, late of Company E, One hundred and twenty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting an increase of pension to Harry S. Lee, formerly Albert Lee Alleman."

CHARLES C. WEAVER.

Mr. BURNHAM. I am directed by the Committee on Pensions, to whom was referred the amendment of the House of Representatives to the amendments of the Senate to the bill (H. R. 1062) granting an increase of pension to Charles C. Weaver, to move that the Senate concur in the amendment of the House to the amendments of the Senate.

The motion was agreed to.

JERRY MURPHY.

Mr. BURNHAM. I am directed by the Committee on Pensions, to whom was referred the amendment of the House of Representatives to the amendment of the Senate to the bill (H. R. 1991) granting an increase of pension to Jerry Murphy, to move that the Senate disagree to the amendment of the House of Representatives to the amendment of the Senate and request a conference on the disagreeing votes of the two Houses, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to, and the Vice-President appointed Mr. BURNHAM, Mr. SMOOT, and Mr. TELLER as the conferees on the part of the Senate.

Mr. BURNHAM. I ask that both bills be printed.

The VICE-PRESIDENT. Without objection, it is so ordered.

EXTENSION OF STREET RAILWAYS TO UNION STATION.

Mr. GALLINGER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 902) "authorizing certain extensions to be made of the lines of the Anacostia and Potomac River Railroad Company, the Washington Railway and Electric Company, the City and Suburban Railway of Washington, and the Capital Traction Company in the District of Columbia, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses, as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the language proposed by the House insert the following:

"That the Anacostia and Potomac River Railroad Company be, and it is hereby, authorized and directed to construct a double-track connection with its tracks on E street south, thence northwardly along First street east to East Capitol street, there to connect with the tracks of the Washington Railway and Electric Company; also a double-track extension from Delaware avenue and C street northeastwardly along Delaware avenue to the plaza in front of the Union Station, together with a double-track loop located as near as may be to the exterior circumference of said plaza and passing in front of and near to the Union Station; also a double-track connection with existing tracks on G street near New Jersey avenue NW. and thence eastwardly to and along Massachusetts avenue, with such northerly deviations as may be necessary to bring the tracks immediately in front of and adjacent to the main entrance of the Union Station, to junctions with an existing track at Third and D streets NE. and at the northwest corner of Stanton square.

"SEC. 2. That the City and Suburban Railway of Washington be, and it is hereby, authorized and directed to extend its double tracks on North Capitol street southwardly from the intersection of G street to Massachusetts avenue, there to connect with the tracks hereinbefore authorized on Massachusetts avenue.

"SEC. 3. That the Capital Traction Company of the District of Columbia be, and it is hereby, authorized and directed to construct and extend, by double tracks, the lines of its underground electric railroad from Florida avenue and Seventh street NW. southeastwardly along Florida avenue to its intersection with Eighth street east, thence southwardly along Eighth street to Pennsylvania avenue, there to connect with existing tracks of the Capital Traction Company; also a double-track extension from the tracks hereinbefore authorized on Florida avenue southeastwardly along New Jersey avenue to its intersection with Massachusetts avenue and First street west, thence along said Massachusetts avenue southeastwardly to the said plaza, and with such northerly deviations as may be necessary to bring the tracks immediately in front of and adjacent to the main entrance of the Union Station, thence by such route as may be determined by the Commissioners of the District of Columbia to the corner of Second and F streets NE., thence east on F street north to Eighth street east, to connect with the tracks of the Capital Traction Company hereinbefore authorized; also a double-track extension of its lines from Seventh and T streets NW. eastwardly along T street to Florida avenue to connect with the tracks of the Capital Traction Company hereinbefore authorized; also a double-track extension of its lines from C street and Delaware avenue NE. along Delaware avenue to the plaza in front of the Union Station, together with a double-track loop passing in front of the station on said plaza; also a double-track connection from First and B streets SE. northwardly along First street east to B street north.

"SEC. 4. That the companies hereinbefore named be, and they are hereby, permitted to lay duct lines on such streets as may be necessary for the proper operation of their lines, the location of such duct lines to be approved by the Commissioners of the District of Columbia, and the cost thereof and all the other costs and expenses of construction, removal of tracks, repairs, and restoration in this act mentioned shall be borne and paid solely by said street railway companies, and they shall be solely liable for all damages to persons and property occasioned by any construction or work authorized by this act.

"SEC. 5. That the said street railway companies mentioned in this act be, and they are hereby, authorized and required, within eighteen months from the date of the passage of this act, and it shall be the duty of each of them, to remove their respective railway tracks and appurtenances from the following streets, and at the time of their removal to repair, restore, and make good in all respects the space now occupied by said railway tracks and appurtenances to the satisfaction and written approval of the Commissioners of the District of Columbia, namely, G street NW., from North Capitol street to New Jersey avenue; C street north, from First street east to Fourth street east; D street north, from First street east to Massachusetts avenue; First street west, from C street north to G street north; Sixth street west, from Louisiana avenue to B street north, and Louisiana avenue, from Fifth street west to Sixth street west; and upon neglect or refusal of said companies to remove their respective tracks and to repave, repair, restore,

and make good said space to the satisfaction of the said Commissioners within the time above limited, any said street railway company so neglecting or refusing shall be deemed guilty of a misdemeanor and shall be subject to the penalty provided in section 710 of the Code of Laws for the District of Columbia regarding the removal of abandoned tracks, and said Commissioners are authorized without notice to remove said tracks and to repave the space occupied by same and charge the cost thereof to such railroad company, whatever may be the manner or cost of doing said work, and to collect the cost thereof in the manner provided in section 5 of an act of Congress entitled 'An act to provide a permanent form of government for the District of Columbia,' approved June 11, 1878.

"SEC. 6. That the construction of the underground electric street railway lines in this act hereinbefore mentioned shall be commenced within thirty days and completed on or before May 1, 1909; and in default of such commencement or completion within said time or within the extension of time by this section specified, all corporate rights, franchises, and privileges of any street railway company so in default shall immediately cease and determine: *Provided*, That the Commissioners of the District of Columbia may, for good cause shown in writing, extend the time for completion; but the said Commissioners shall in no case grant such extension for a longer period than six months.

"SEC. 7. That where the route or routes provided for in this act coincide with each other or with the route or routes of existing street railways or street railways hereafter authorized to be operated or constructed, one set of double tracks only shall be constructed and shall be used in common, upon terms mutually agreed upon, or, in case of disagreement, upon terms determined by the supreme court of the District of Columbia, which is authorized and directed to give notice and hearings to the interested parties and to fix and finally determine the terms of the joint trackage: *Provided*, That there shall be two sets of double tracks immediately in front of the main entrance to the Union Station, facing Massachusetts avenue, the most northerly rail being not less than 70 feet from the axis of the south portico of said station.

"SEC. 8. That authority is hereby given the Commissioners of the District of Columbia to use such portions of reservation No. 77 as may in their judgment be necessary for sidewalks and roadways and for street railway use. And authority is hereby given said Commissioners to acquire by purchase or to condemn, in accordance with existing law, for street purposes, so much of square No. 626, lying north of the north building line of square No. 567, extended, as they may deem necessary, and the cost of acquiring said property as above shall be paid by the Anacostia and Potomac River Railroad Company: *Provided*, That where a portion of any lot is authorized to be acquired as above the said Commissioners may, in their discretion, acquire the entire lot; the portion thereof, when so acquired, lying south of the north building line of square No. 567, extended, to become the property of said Anacostia and Potomac River Railroad Company as soon as the entire cost of acquisition as above specified shall be paid by it.

"SEC. 9. That whenever, in the construction of the new tracks herein authorized, the Commissioners of the District of Columbia deem it necessary, in order to reasonably accommodate vehicular traffic, to widen the roadway of any street or streets in which said track or tracks are to be laid, such widening shall be done by said Commissioners, the cost and expense of such widening, including the laying of new sidewalks, the adjustment of all underground construction, and of every public appurtenance, shall be borne by the railway company constructing such tracks, and the said railway company shall deposit with the collector of taxes of the District of Columbia in advance the estimated cost of changing or widening the said street or streets, the work to be done by said Commissioners; and whenever, at any future time, the Commissioners deem it necessary to widen the roadway of any street or streets occupied by the extensions herein authorized, said railway company shall bear one-half the cost of widening and improving such street or streets, to be collected in the same manner as the cost of laying or repairing pavement lying between the exterior rails of the tracks of said street railroad and for a distance of 2 feet exterior to such track or tracks is collectible, under the provisions of section 5 of an act entitled 'An act to provide a permanent form of government for the District of Columbia,' approved June 11, 1878.

"SEC. 10. That whenever in the construction of any of the tracks herein authorized it is necessary, in the opinion of the Commissioners of the District of Columbia, to improve, by paving or otherwise, the roadway of any street occupied by such track or tracks, said company shall adjust the grade of its tracks to the new grade of the street or streets, the cost thereof to be borne by the said company in the same manner as the cost of paving between the exterior of the tracks of the street railroad companies, as referred to in the preceding section.

"SEC. 11. That the arrangement of all tracks herein authorized within the lines of the plaza in front of the Union Station shall be in accordance with the plans approved by the Commissioners of the District of Columbia, and all work of construction and extension herein authorized shall be executed in accordance with plans to be approved by the Commissioners of the District of Columbia and under a permit or permits from said Commissioners.

"SEC. 12. That existing transfer arrangements between the Washington Railway and Electric Company and the Metropolitan Coach Company, a corporation of the District of Columbia, shall not be terminated, except by authority of Congress; and unless said Metropolitan Coach Company shall, within one year after the passage of this act, substitute motor vehicles to be approved by the Commissioners of the District of Columbia, for the herdics now used by it, its right to operate its line shall cease and determine: *Provided further*, That all transfers issued by the Metropolitan Coach Company shall be properly dated and punched as to time limit as provided by rules and regulations to be made, altered, and amended from time to time by the Interstate Commerce Commission, and that unless said transfers are so dated and punched the Washington Railway and Electric Company shall not be required to receive them.

"SEC. 13. That the Anacostia and Potomac River Railroad Company and the Capital Traction Company be, and they are hereby, authorized and required, jointly to construct, maintain, and operate, by overhead trolley, temporary railway tracks for passenger service from the Union Station to the intersection of Delaware avenue and C street north, said tracks to be constructed within sixty days from the date of the approval of this act, in accordance with plans approved by the Commissioners of the District of Columbia, said tracks to be maintained by said companies to the satisfaction of said Commissioners, and to be removed by said companies after the construction of the permanent street railway tracks herein provided for within thirty days after notice from said Commissioners so to do: *Provided*, That the companies herein named may, at their option, substitute permanent underground for temporary overhead construction on Delaware avenue from C street to the southern edge of the plaza, and thence by temporary underground construction to the north line of Massachusetts avenue; such temporary construction to be removed within thirty days from the date of operation of cars over the permanent construction provided for in section 1 of this act.

"SEC. 14. That the railway companies affected by this act shall have, over and respecting the routes herein provided for, the same rights, powers, and privileges as they respectively have or hereafter may have by law over and respecting their other routes, and shall be subject in respect thereto to all the other provisions of their charters and of law.

"SEC. 15. That no transfer ticket or written or printed instrument giving or purporting to give the right of transfer to any person or persons from a public conveyance operated upon one line or route of a street railroad, or from one car to another car upon the line of any street railroad, shall be issued, sold, or given except to a passenger lawfully entitled thereto. Any person who shall issue, sell, or give away such a transfer ticket or instrument as aforesaid to a person or persons not lawfully entitled thereto, and any person or persons not lawfully entitled thereto who shall receive and use or offer for passage any such transfer ticket or instrument to another with intent to have such transfer ticket used or offered for passage shall be punished by a fine not exceeding twenty-five dollars.

"SEC. 16. That every street railroad company or corporation owning, controlling, leasing, or operating one or more street railroads within the District of Columbia shall on each and all of its railroads supply and operate a sufficient number of cars, clean, sanitary, in good repair, with proper and safe power, equipment, appliances, and service, comfortable and convenient, and so operate the same as to give expeditious passage, not to exceed fifteen miles per hour within the city limits or twenty miles per hour in the suburbs, to all persons desirous of the use of said cars, without crowding said cars. The Interstate Commerce Commission is hereby given power to require and compel obedience to all of the provisions of this section, and to make, alter, amend, and enforce all needful rules and regulations to secure said obedience; and said Commission is given power to make all such orders and regulations necessary to the exercise of the powers herein granted to it as may be reasonable and proper; and such railroad companies or cor-

porations, their officers and employees, are hereby required to obey all the provisions of this section, and such regulations and orders as may be made by said Commission. Any such company or corporation, or its officers or employees, violating any provision of this section, or any of the said orders or regulations made by said Commission, or permitting such violation, shall be punished by a fine of not more than one thousand dollars. And each day of failure or neglect on the part of such company or corporation, its officers or employees, to obey each and all of the provisions and requirements of this section, or the orders and regulations of the Commission made thereunder, shall be regarded as a separate offense.

"SEC. 17. That prosecutions for violations of any of the provisions of this act shall be on information of the Interstate Commerce Commission filed in the police court by or on behalf of the Commission.

"SEC. 18. That Congress reserves the right to alter, amend, or repeal this act."

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

JACOB H. GALLINGER,
CHESTER I. LONG,
THOS. S. MARTIN,
Managers on the part of the Senate.
S. W. SMITH,
P. P. CAMPBELL,
Managers on the part of the House.

Mr. GALLINGER. The bill as reported is substantially the bill that was before the Senate and passed the Senate, except that one section has been added from the House. I think it would be scarcely necessary to read the long bill, and I ask unanimous consent that action be taken upon the report without reading the bill.

Mr. BURKETT. There is one section that I should like to have read. I should like to have the part that is new read.

Mr. GALLINGER. I will call the attention of the Secretary to it. It is section 16.

The VICE-PRESIDENT. The Secretary will read as requested.

The Secretary read section 16.

The VICE-PRESIDENT. The question is on agreeing to the report.

The report was agreed to.

BILLS INTRODUCED.

Mr. NELSON introduced a bill (S. 7150) to authorize a patent to be issued to Hannah Ulvestad, for certain lands therein described, which was read twice by its title and referred to the Committee on Public Lands.

Mr. FRYE introduced a bill (S. 7151) granting an increase of pension to George Russell, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. DILLINGHAM introduced a bill (S. 7152) ratifying bonds of road district No. 1, Maricopa County, Ariz., which was read twice by its title and referred to the Committee on Territories.

He also introduced a bill (S. 7153) for the relief of the widow and family of Marcus P. Norton and the heirs at law of others, which was read twice by its title and referred to the Committee on Claims.

Mr. ANKENY introduced a bill (S. 7154) granting an increase of pension to Caleb A. Barton, which was read twice by its title and referred to the Committee on Pensions.

Mr. WETMORE introduced a bill (S. 7155) granting an increase of pension to Charles H. Bartlett, which was read twice by its title and, with the accompanying papers, referred to the Committee on Pensions.

Mr. CRANE (for Mr. LODGE) introduced the following bills, which were severally read twice by their titles and referred to the Committee on Claims:

A bill (S. 7156) for the relief of Parsey O. Burrough (with an accompanying paper); and

A bill (S. 7157) for the relief of Hilaire Raymond (with an accompanying paper).

Mr. BURNHAM introduced the following bills, which were severally read twice by their titles and referred to the Committee on Pensions:

A bill (S. 7158) granting an increase of pension to Melzar E. Beard;

A bill (S. 7159) granting an increase of pension to Charles E. Doying;

A bill (S. 7160) granting an increase of pension to John Giles;

A bill (S. 7161) granting an increase of pension to Sedley A. Lowd;

A bill (S. 7162) granting an increase of pension to Charles W. Perley;

A bill (S. 7163) granting an increase of pension to Benjamin F. Pettengill;

A bill (S. 7164) granting an increase of pension to Horace E. Russell;

A bill (S. 7165) granting an increase of pension to Edward A. Wyman; and

A bill (S. 7166) granting an increase of pension to Lyman Wyman.

Mr. MARTIN introduced the following bills, which were severally read twice by their titles and referred to the Committee on Claims:

A bill (S. 7167) for the relief of the trustees of the Methodist Episcopal Church South, of Pungoteague, Va.; and

A bill (S. 7168) for the relief of the trustees of the Baptist Church of Hartwood, Va.

Mr. BEVERIDGE introduced a bill (S. 7169) granting a pension to Martha A. Harvey, which was read twice by its title and referred to the Committee on Pensions.

Mr. TAYLOR introduced a bill (S. 7170) for the relief of the Tennessee School for the Blind, at Nashville, Tenn., which was read twice by its title and referred to the Committee on Claims.

AMENDMENTS TO DEFICIENCY APPROPRIATION BILL.

Mr. CRANE (for Mr. LODGE) submitted an amendment proposing to appropriate $5,999.22, heretofore appropriated to be paid to H. Hollis Hunnewell, administrator of Samuel Welles, etc., be now paid to Walter Hunnewell as administrator of Samuel Welles, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. FLINT submitted an amendment proposing to appropriate $930 to be paid to James H. Owen, of Los Angeles, Cal., being the balance due him under contract for the erection of buildings and construction of irrigation works for the Truxton Canyon Indian School, Arizona, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. WARNER submitted an amendment proposing to appropriate $250 to pay William B. Turner for preparing the index to the final report of the Board of Lady Managers to the St. Louis Exposition, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENTS TO OMNIBUS PUBLIC BUILDINGS BILL.

Mr. TELLER submitted three amendments intended to be proposed by him to the omnibus public buildings bill, which were referred to the Committee on Public Buildings and Grounds.

Mr. CARTER submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on Public Buildings and Grounds.

Mr. GUGGENHEIM submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on Public Buildings and Grounds.

Mr. HOPKINS submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on Public Buildings and Grounds.

Mr. BURROWS submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on Public Buildings and Grounds.

Mr. PENROSE submitted four amendments intended to be proposed by him to the omnibus public buildings bill, which were referred to the Committee on Public Buildings and Grounds.

Mr. LONG submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on the Census.

He also, subsequently, from the Committee on the Census, to whom was referred the foregoing amendment submitted by himself on this day, intended to be proposed to the omnibus public buildings bill, reported it without amendment, and moved that it be referred to the Committee on Public Buildings and Grounds, which was agreed to.

Mr. MARTIN submitted an amendment intended to be proposed by him to the omnibus public buildings bill, which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

DISBURSEMENT OF INDIAN FUNDS.

Mr. OWEN submitted the following resolution, which was considered by unanimous consent and agreed to:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to transmit to the Senate a statement showing the amounts in the Treasury of the United States to the credit of the Choctaw, Chickasaw, Cherokee, Creek, and Seminole tribes of Indians on June 28, 1898, and what amounts, if any, have been added to and disbursed from the said funds severally since said date.

LISTS OF CLAIMS, JUDGMENTS, AND AWARDS.

Mr. HALE submitted the following resolution, which was considered by unanimous consent and agreed to:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to transmit to the Senate the following schedule and lists of claims, judgments, and awards requiring appropriations by Congress not heretofore reported to Congress at the present session, namely:

First. Schedule of claims allowed by the accounting officers of the Treasury under appropriations the balances of which have been exhausted or carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874.

Second. List of judgments rendered by the Court of Claims against the United States.

Third. List of judgments rendered by the Court of Claims in favor of claimants and against the United States under the act to provide for the adjudication and payment of claims arising from Indian depredations, approved March 3, 1891.

Fourth. List of judgments rendered against the United States by the circuit and district courts of the United States under the act to provide for bringing suits against the Government of the United States, approved March 3, 1887.

Fifth. List of awards made by the Spanish Treaty Claims Commission under the act to carry into effect the stipulations of Article VII of the treaty between the United States and Spain, concluded on the 10th day of December, 1898, approved March 2, 1901.

INDIAN DEPREDATION CLAIMS.

Mr. BAILEY submitted the following resolution, which was considered by unanimous consent and agreed to:

Resolved, That the Attorney-General be directed to transmit to the Senate a list of judgments rendered by the Court of Claims in favor of claimants in Indian depredation cases requiring an appropriation by Congress not heretofore reported.

THE HAGUE CONFERENCE.

Mr. CULLOM. I ask that Senate document No. 444, Sixtieth Congress, first session, being the report of the Second International Peace Conference held at The Hague from June 15 to October 18, 1907, be reprinted.

The VICE-PRESIDENT. Without objection, it is so ordered.

NATIONAL FOREST IN MINNESOTA.

The VICE-PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4186) creating in the State of Minnesota a national forest consisting of certain described lands, and for other purposes.

The amendments were, on page 5, line 7, after "quarter," to insert "quarter;" page 8, line 2, after "the," to insert "said;" page 8, line 6, after "commission," to insert "of three persons;" page 9, line 12, strike out "an agent" and insert "a representative who shall serve without compensation;" page 10, line 16, to strike out "May" and insert "June;" page 12, line 1, after "sales," to insert "made by the Secretary of the Interior as;" page 12, line 19, after "appropriated," to insert "and no commissioner shall be paid for more than ten days' service;" to strike out all of section 8 and insert:

SEC. 8. That nothing in this act contained shall in any manner bind the United States to purchase any of the land in said reservations excluded from the reserve created by this act, or to dispose of said land, except as provided by the act of January 14, 1889, entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota," and an act of June 27, 1902, entitled "An act to amend an act for the relief and civilization of the Chippewa Indians in the State of Minnesota," or the provisions of this act; or to guarantee to find purchasers for said lands or any portion thereof, it being the intention of this act that the United States shall act as trustee for said Indians to dispose of the said lands and the timber thereon, and to dispose of the proceeds thereof, as provided in said acts, only when received from the sale of the timber and the lands, as herein provided.

And to amend the title so as to read: "An act amending the act of January 14, 1889, and acts amendatory thereof, and for other purposes."

Mr. CLAPP. I move that the Senate concur in the House amendments.

The motion was agreed to.

FINANCIAL COMMISSION.

Mr. du PONT. Mr. President, I give notice that on Thursday morning next, after the conclusion of the routine morning business, I will address the Senate on Senate bill 6465, to create a financial commission.

HOUSE BILLS REFERRED.

H. R. 21844. An act granting to certain employees of the United States the right to receive from it compensation for injuries sustained in the course of their employment, which was read twice by its title and, on motion of Mr. DEPEW, was referred to the Committee on the Judiciary.

H. R. 21899. An act providing for the appointment of an Inland Waterways Commission, with the view to the improvement and development of the inland waterways of the United States, which was read twice by its title and referred to the Committee on Commerce.

COMPANIES B, C, AND D, TWENTY-FIFTH INFANTRY.

Mr. BULKELEY. Mr. President, several days ago I gave notice that at the close of the morning business to-day I would ask the Senate to take up for consideration Senate bill 6206, and if it is proper to do so, I will ask that it be laid before the Senate.

The VICE-PRESIDENT. The Chair lays the bill before the Senate. It will be read by title.

The SECRETARY. Under Rule IX, a bill (S. 6206) for the relief of certain former members of the Twenty-fifth Regiment of United States Infantry.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Connecticut?

Mr. WARREN. I have no objection to file at this time. I reserve the privilege.

Mr. McLAURIN. What is the request?

The VICE-PRESIDENT. The request is that the bill may be now considered.

Mr. BULKELEY. I will say to the Senator from Mississippi that I am not expecting to have any particular consideration of the bill to-day. I want to make some remarks in explanation of the notice I gave that I would call it up to-day for consideration.

Mr. McLAURIN. So it is called up for the purpose of enabling the Senator to make some remarks on it?

Mr. BULKELEY. That is the purpose.

The VICE-PRESIDENT. Without objection, the bill is before the Senate.

Mr. BULKELEY. Mr. President, on the 13th of May I gave notice that I would this morning, after the conclusion of the morning business, ask the Senate to give consideration to this bill, which was reported from the Committee on Military Affairs adversely, there being another bill in regard to the same subject reported adversely from the committee. Senators will recall that a few days since by a very large vote the consideration of one of these bills was postponed until December next. I am embarrassed somewhat this morning by the fact that the Senator on whose motion one of the bills was postponed, the senior Senator from Ohio [Mr. FORAKER], is still absent from the Chamber through indisposition, and the Senator from Massachusetts [Mr. LODGE], who I understand desires to speak on this question, is still detained from the Chamber by reasons well known to almost every Senator.

I contented myself the other day by simply voting against the postponement of the bill then under consideration, Senate bill 5729. It seemed to me that the course suggested and taken was one that would not commend itself to the people of the country, and the more I have given it consideration and seen it commented upon in the press of the country the more I have become convinced, in view of all the circumstances and the investigations that have gone on for the past twelve or eighteen months in regard to this matter, that, without criticising the action of the Senate, the proper course for this body to pursue was to take some action at the present session.

I would call to the attention of the Senate one or two facts. The Committee on Military Affairs of this body have had this subject under investigation for about eighteen months. They have given the matter most careful consideration, and on some things in making their report they entirely agree. The entire committee agree on at least one point, which I will call to the attention of the Senate. On page 24 of the report nine members of the committee found as follows:

That the testimony fails to identify the particular soldier or soldiers who participated in the shooting affray at Brownsville, Tex., on the night of August 13–14, 1906.

And on page 29 of the report the other four members of the committee found the same condition, as follows:

1. The testimony wholly fails to identify the particular individuals, or any of them, who participated in the shooting affray that occurred at Brownsville, Tex., on the night of August 13–14, 1906.

So on this fact of an absolute inability to identify any individual connected with the affray the entire Committee on Military Affairs are agreed, as found in this report.

Eight members of the committee agree on another finding, which I will also read. The finding by four members of the committee is found on page 26, as follows:

In the present case, however, it would seem but justice to restore to all the innocent men of these companies the rights and privileges which

had accrued to them by reason of their previous service in the Army, and of which they will be permanently deprived unless their former status shall be restored by legislation, for the reason that under existing statutes the time has already expired in which they could have reenlisted and secured the benefits of their prior service had they been honorably discharged because of the expiration of their several terms of enlistment.

And on page 29 four other members of the committee found the same condition, in the following language:

Whereas the testimony shows beyond a reasonable doubt that whatever may be the fact as to who did the shooting, many of the men so discharged were innocent of any offense in connection therewith; therefore it is, in our opinion, the duty of Congress to provide by appropriate legislation for the correction of their record and for their reenlistment and reinstatement in the Army, and for the restoration to them of all the rights of which they have been deprived, and we so recommend.

The President, who issued the original order discharging the troops, or by whose order the troops were discharged by their commanding officer, states in his message to Congress under date of March 11:

The Senate committee intrusted with the work has now completed its investigation, and finds that the facts upon which my order of discharge of November 9, 1906, was based are substantiated by the evidence. The testimony secured by the committee is therefore now available, and I desire to revive the order of December 12, 1906, and to have it carried out in whatever shape may be necessary to achieve the purpose therein set forth; any additional evidence being taken which may be of aid in the ascertainment of the truth. The time limit during which it was possible to reinstate any individual soldier in accordance with the terms of this order has, however, expired. I therefore recommend the passage of a law extending this time limit, so far as the soldiers concerned are affected, until a year after the passage of the law.

So Senators will see that even the President, who issued the original order of discharge, has perhaps become convinced that there are men in the battalion who were dismissed by his order who are entitled to some consideration, for I can see no other reason why the President in his message to Congress should recommend the extension for a year of the consideration of the restoration of any of the men.

Eight members of the committee, after hearing all the evidence produced in this matter, have practically joined with the President in recommending legislation of the character indicated, and, if I am correctly informed, the other members of the Committee on Military Affairs were not in favor of any legislation whatever. If I am incorrect in that, I should like to be corrected, but that is my understanding.

Mr. President, it seems to me there is every reason why Congress at this session ought to have taken up and disposed of this matter. Justice delayed unnecessarily long loses all its efficiency and vindication postponed loses all its charms. After all the investigations, which have been thorough and have probed the matter to the deepest extent, it seems to me that the Senate is as well prepared to-day as it ever will be to pass upon this matter and to finally dispose of it. I can see myself no question even of expediency, or whatever you may call it, that stands in the way of justice to many innocent men being rendered without further delay.

I do not like to ask at this time, and I shall not this morning ask that the bill be taken up for consideration. If the session should be prolonged to another week and the Senator from Ohio, on whose motion the matter was put over, should return to the Senate, and if the Senator from Massachusetts should be here in time to discuss the measure as he proposes, I shall take the liberty at a later day to ask the Senate to give the matter further consideration.

CONSIDERATION OF THE CALENDAR.

Mr. NELSON. I move that the Senate proceed to the consideration of the Calendar under Rule VIII.

Mr. PAYNTER. Mr. President——

Mr. NELSON. I think the Senator from Kentucky can bring up his motion after we go to the Calendar, and I suggest that he will defer it until that time.

Mr. PAYNTER. The Senator suggests that I wait until the Calendar is called before moving to take up the bill from the Judiciary Committee?

Mr. NELSON. When we are on the Calendar the Senator can make the motion then. I suggest to him that he postpone it until the bill is reached on the Calendar.

Mr. PAYNTER. I would prefer to make the motion now, but I will wait.

The VICE-PRESIDENT. Without objection, the Secretary will announce the first bill on the Calendar under Rule VIII.

Mr. McCREARY. I did not hear the motion of the Senator from Minnesota. Was it that we should proceed to the consideration of bills under Rule VIII?

The VICE-PRESIDENT. Yes; under Rule VIII.

Mr. McCREARY. That embraces bills not objected to?

The VICE-PRESIDENT. It embraces bills not objected to.

BILLS PASSED OVER.

The bill (H. R. 15372) for the allowance of certain claims reported by the Court of Claims under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the "Bowman and Tucker acts," was announced as first in order on the Calendar.

Mr. NELSON. Let the bill go over. It would lead to discussion.

The VICE-PRESIDENT. The bill will go over at the request of the Senator from Minnesota.

The joint resolution (S. R. 93) relating to the reorganization of the Northern Pacific Railroad Company was announced as next in order.

Mr. KEAN. Let the joint resolution go over.

The VICE-PRESIDENT. It will go over at the request of the Senator from New Jersey.

The bill (S. 915) to prevent the sale of intoxicating liquors in buildings, ships, navy-yards, and parks and other premises owned or used by the United States Government was announced as next in order.

Mr. NELSON. Let the bill go over.

The VICE-PRESIDENT. The bill will go over at the request of the Senator from Minnesota.

COURTS IN KENTUCKY.

The bill (H. R. 14382) to establish a United States court at Jackson, in the eastern district of Kentucky, was announced as next in order.

Mr. McCREARY. I object to the consideration of the bill. I ask that it may go over.

The VICE-PRESIDENT. The senior Senator from Kentucky objects to the present consideration of the bill.

Mr. PAYNTER. The bill has been called on the Calendar regularly, and I desire to have it considered. I ask that it be considered nothwithstanding the objection.

Mr. NELSON. Will the Senator from Kentucky allow me to suggest that he can move to take it up?

Mr. PAYNTER. I move to take up the bill for consideration.

The VICE-PRESIDENT. The junior Senator from Kentucky moves that the Senate proceed to the consideration of the bill.

Mr. McCREARY. Mr. President, this is an important bill. I ask the junior Senator from Kentucky to please state to the Senate what he relies on to justify the passage of the bill. I am opposed to action upon it now, and I have been requested by the United States circuit judge and the United States district attorney to say that there is no necessity for another court in the eastern district of Kentucky. Perhaps the junior Senator can enlighten us on this point. I would be glad to have him state to the Senate what he relies upon to justify the passage of the bill.

Mr. PAYNTER. I understand the motion to take up the bill for consideration is not debatable.

The VICE-PRESIDENT. It is not debatable.

Mr. PAYNTER. I will take pleasure in giving the Senate the reasons why the bill ought to become a law when it reaches the stage where it can be debated.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Kentucky [Mr. PAYNTER].

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read.

Mr. BURKETT. Mr. President, I could not exactly catch the meaning of the bill by hearing it read, and I should very much like to have the Senator from Kentucky [Mr. PAYNTER], who has moved its consideration, explain the bill.

Mr. PAYNTER. It is a bill proposing to establish a United States court at Jackson, Ky.

Mr. McCREARY. Mr. President, I should like to have the Senator from Kentucky give his reasons for wanting to establish another United States circuit court in Kentucky. We have nine places now where United States courts are held. The United States circuit judge for the eastern district of Kentucky has written me that he does not think another United States court is necessary in the eastern district of that State, and the United States district attorney for the same district has also written me that he does not think another court is necessary in that district. I should like, therefore, to have the junior Senator from Kentucky show that the establishment of such a court is necessary. I should like to hear from him on that point. I desire to do what is right regarding these courts in Kentucky, and that is the reason I desire to hear from my colleague on that subject.

Mr. PAYNTER. Mr. President, I am very glad, indeed, to have the opportunity to give the senior Senator from Kentucky [Mr. McCREARY] and also the Senate the reasons why this bill should become a law. Jackson is the county seat of Breathitt

County. It is situated 86 miles from the city of Richmond, the city in which my colleague resides, at which place there is a Federal court. It is situated 185 miles from the city of Covington, where a Federal court is held; it is situated about 200 miles from the city of Catlettsburg, in which a Federal court is held, and it is situated by rail about 125 miles from London, where the Federal court is held in the eastern district of Kentucky.

My colleague says that there are nine courts in the State of Kentucky. That may be true, but there are five courts in the eastern district, in which the town of Jackson is situated. Jackson is situated in the mountains of Kentucky. It is reached by two railroads; it is a point at which a great deal of business is transacted; it is a growing town; it has an electric-light plant; it has waterworks in the course of construction, and it is building fine streets. In fact, the town is growing as much or more than any other town in the mountains of Kentucky.

There are people living in that section of the country who own small farms. Unfortunately, owing to the system of land titles in Kentucky, their titles are clouded by the old Virginia grants and by grants from the State of Kentucky. Those lands are becoming valuable. They are bought by people who live outside the State of Kentucky, who go to the Federal court and seek to recover from those people their little homes. Although the people there may be successful in the litigation, it exhausts their means to successfully oppose such actions. I say, Mr. President, it is not right to compel those people to travel long distances with their attorneys and witnesses in order to have their causes tried. That is true, notwithstanding the geographical situation of Richmond.

It has been suggested that it would take business away from Richmond to establish this court at Jackson. If it does—and that is given as a reason for the opposition to this bill—it is the greatest reason I could give why this bill should become a law, because if Jackson is situated so that a court there would serve twelve or fifteen counties, then it is a proper location for a Federal court.

Although a court at Jackson might reduce the business of the court at Richmond or at other courts that is not a good reason for forcing the people of that section of the State who have business in a Federal court to travel, at great expense, to distant points to have their cases tried. Courts should be as convenient as possible for the trial of causes. Litigants should be afforded an opportunity to get their cases disposed of promptly and at a reasonable cost.

Mr. CLAPP. Mr. President, will the Senator from Kentucky pardon an interruption?

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from Minnesota?

Mr. PAYNTER. Certainly.

Mr. CLAPP. As I understand, this bill does not create a new district, but simply changes the place of holding court?

Mr. PAYNTER. It does not change the place of holding court, but creates an additional court. That is all.

Mr. CLAPP. An additional court? There was some apprehension here that possibly it created an additional district.

Mr. PAYNTER. No; that is not true. In that section of Kentucky there are many prosecutions for violations of the internal-revenue laws. I hold in my hand a statement, for the correctness of which I do not vouch, but it is made by a Member of Congress from Kentucky who has given the matter some attention. He says the bill will be a benefit to the Government, viewing it from the point of expense. I quote from his letter as follows:

> One of the chief classes of Federal business that would be done at this court would be the trial of persons for violation of the internal-revenue laws. The counties of Magoffin, Knott, Letcher, Perry, and Breathitt would average at least 500 prisoners and witnesses annually in cases of this character, who now travel from 150 to 200 miles to the other courts. This would involve an average traveling expense of about $12 for each person, or something like $30,000 per annum for this item alone. The remaining counties named above would average from 200 to 300 prisoners and witnesses a year, who would travel an average of about 100 miles, making from $12,000 to $14,000 for traveling expenses from these counties, or a total from the territory that will be accommodated of about $44,000 per annum for traveling expenses.

Mr. BURKETT. I want to say to the Senator from Kentucky, inasmuch as I asked him to explain the bill, that his explanation has gone far enough to entirely satisfy me in regard to it, and so far as I am concerned he does not need to occupy more of the time of the Senate. I want to say to the Senator also that I think the plan, as I learn it now to be, is a good one. Several of us had the impression, not being able to hear the reading of the bill, that it created an additional district.

Mr. PAYNTER. No.

Mr. BURKETT. I will say to the Senator that when we took up the matter of an additional judge for the State in which I live—the State of Nebraska—we created several additional places for holding court. I am with him on the proposition that he makes that the closer one can get the Federal court to the people, within proper limits of course, the better it is. Understanding his bill from his explanation, which I could not from the reading of it, because of the noise that was in the Chamber, I am in hearty accord with his idea.

Mr. PAYNTER. Mr. President, if I thought I had been so fortunate as to convince other Senators as I have the Senator from Nebraska [Mr. BURKETT], I would stop at this point, but my colleague [Mr. MCCREARY] has stated that the judge in this district is opposed to the bill. I do not know whether his mind has undergone a change or not, but I take it for granted that the judge, like all of us, prefers ease and comfort, and that he would very much prefer to hold court at the other places now prescribed by law and transact business there, if possible, without this journey. But that is not the purpose of this bill. Its purpose is to afford easy access to those people who, unfortunately, are brought into court, whether under criminal process of the Federal Government or brought there by reason of civil action. I know Judge Cochran is not only an able, but an industrious judge, and he will cheerfully hold the court at Jackson.

Judge Cochran, in a letter to Mr. LANGLEY, the Representative in the other House from that district, says:

> MAYSVILLE, KY., *December 24, 1907.*
>
> Hon. JOHN W. LANGLEY,
> *House of Representatives, Washington, D. C.*
>
> DEAR SIR: I am in receipt of yours of the 16th instant, inclosing the draft of a bill providing for the establishment of a United States court at Jackson, in my district. I have no objections to its passage nor any changes in its provisions to suggest.
>
> Very truly, yours, A. M. J. COCHRAN.

I should like in this connection, and then I shall conclude my remarks, to read part of a statement made by a circuit judge in that district—not the Federal judge, but the State judge, one of his predecessors—and of a number of other citizens who live at Jackson. The statement is as follows:

> This is the terminus of the Lexington and Eastern Railroad and the distributing point for the counties of Breathitt, Perry, Knott, and a portion of Leslie and a portion of Letcher. It is also the junction of the Lexington and Eastern and the Ohio and Kentucky Railway Company. It is situated just below the confluence of the north fork of the Kentucky River and Quicksand Creek and South Quicksand Creek. All the coal and timber on these creeks and other tributaries, including Troublesome Creek and Lost Creek and embracing several hundred thousand acres of the very finest coal and timber lands in Kentucky.
>
> We have also an electric-light plant, built and in operation, and also waterworks now in course of preparation, together with an ice plant. We have good macadamized streets in a large portion of the town, costing in the neighborhood of $10,000, and stone and concrete sidewalks in a large part of the town and the remaining portion of the town will be required to put down this kind of sidewalks in the near future. It is a live, energetic town, and real estate is increasing rapidly in prices and within the last five years has more than doubled in prices. It is also the county seat of Breathitt County, which is one of the largest counties in area and contains perhaps more undeveloped wealth than any county in Kentucky, and is situated in the heart of the coal and timber region in Kentucky.
>
> We know that large numbers of people from this county and the counties surrounding it and immediately adjoining it go to attend the Federal courts at Richmond and at Frankfort and at Covington and at even Catlettsburg and at London almost every term. We believe that at least 90 per cent of the criminal business at Richmond comes from this immediate section of the country, and at least 60 per cent of the civil business at Richmond and a large per cent of the other cases come from this immediate section of the country, and the nearest one of these courts to us by rail is a distance of 88 miles—

I think I ought to correct that; it is only 86 miles—

> being that of Richmond. Frankfort is a distance of 133 miles, Covington 185 miles, Catlettsburg 165 miles, and London, by rail, about 125 miles. We notice that your report stated that it is only 52 miles to Richmond. This is a mistake. We do not believe you can reach Richmond in that distance by an air course. All the business above mentioned as coming from this section would be accommodated by a court at Jackson and would, in our judgment, save the litigants and the Government annually almost enough to erect a Government building here at this point. The defendants in most of these cases from this part of the country are poor people and mountaineers who in a large number of instances are unable to attend court and travel the distance and pay the necessary expense to make their legitimate defense, while this would be obviated with a court at Jackson and would enable our people to meet the foreign corporations and nonresidents on an equal footing. We verily believe that there is more business for the Federal court coming from Breathitt and the counties adjacent thereto than is in any one court within the eastern district of Kentucky, and believe there would be at least twice the business here in court as at London or at Richmond.

Mr. President, I think I have given sufficient reasons why this bill should become a law. It passed the House of Representatives unanimously and was unanimously reported by the Committee on the Judiciary of the Senate. I believe that it is a meritorious measure and that the Senate should pass it.

Mr. MCCREARY. Mr. President, when the bill to establish a United States court at Jackson, in Breathitt County, Ky., was

introduced in the House of Representatives, I wrote to the United States circuit judge of the eastern district of Kentucky and to the United States district attorney, and asked them if another court was necessary in that district. I have the reply of both those gentlemen. The junior Senator from Kentucky [Mr. PAYNTER] read a statement from the United States circuit judge dated December 24, 1907. I have here his statement, dated Maysville, Ky., February 30, 1908, which is as follows:

UNITED STATES COURTS FOR THE
EASTERN DISTRICT OF KENTUCKY,
Maysville, Ky., February 13, 1908.

Hon. JAMES B. MCCREARY.

MY DEAR SENATOR: Your telegram just received. You ask whether I think another place to hold court in my district is necessary. To answer you candidly I must say that I do not think that it is. I should, however, mention that Mr. LANGLEY, before he introduced his bill providing for Jackson as an additional place, inquired of me whether I would oppose it, and I told him that I would not, and in response to a letter inclosed a copy of his bill I wrote him that I had no objection and no suggestions to make in regard thereto. As I view it I do not think I should inject my personality into the matter, but leave it for Congress to determine without reference to my particular wishes. I feel, however, that when inquired of by Congress or any Member thereof as to any particular facts affecting the question or my opinion in regard thereto I should give a candid answer. Hence I respond to your query as I do.

Respectfully, A. M. J. COCHRAN.

I have here also a telegram from the United States district attorney on the same subject, in which he says:

COVINGTON, KY., *February 17, 1908.*

Senator J. B. MCCREARY,
Washington, D. C.:

With five places to hold court in this district, no necessity for court at Jackson.

TINSLEY, *United States Attorney.*

Now, Mr. President, it does seem that the United States district judge and the United States district attorney should know whether another court is necessary in that district, and both of them say that they do not think it is needed.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from Michigan?

Mr. MCCREARY. Yes, sir.

Mr. SMITH of Michigan. Does the judge or the district attorney say anything about the expense that will be saved to the Government?

Mr. MCCREARY. I am coming to that.

Mr. SMITH of Michigan. I understood from the junior Senator from Kentucky [Mr. PAYNTER] that the expense saved to the Government would be about $50,000 a year. If so, that is very important.

Mr. MCCREARY. There will be but little expense saved and if this bill is passed an appropriation of $100,000 to erect a public building at Jackson will be asked. Here is also a letter from the United States district attorney:

DEPARTMENT OF JUSTICE,
OFFICE OF UNITED STATES ATTORNEY,
EASTERN DISTRICT OF KENTUCKY,
Covington, February 17, 1908.

Hon. J. B. MCCREARY,
Washington, D. C.:

DEAR SIR: Following my telegram of to-day and in answer to yours of February 15, will say that we already have as many terms and places for holding court in the eastern district of Kentucky as are necessary to transact the public business. There is no public necessity for a term of court to be held at Jackson, Ky., or anywhere else in the district. We now have five places for holding court, and there is no public demand for another in my opinion.

With highest personal regards,

Respectfully, J. H. TINSLEY,
United States Attorney.

The Attorney-General was called upon for a statement, and in his answer he said that "the opinion of the United States district judge should have much weight," and that opinion is against the court being established at Jackson.

Mr. President, the junior Senator from Kentucky has not presented to you a solitary petition asking for this court. This matter has been under consideration nearly three months, and I have never received a letter or a petition asking for the establishment of this court at Jackson, in Breathitt County, Ky. No lawyer and no citizen has ever asked me to support this measure. At the bottom of this measure is simply a desire to get $100,000 to erect a United States public building at Jackson. That is the secret of the introduction of this bill.

Mr. PAYNTER. Mr. President, I should like to ask my colleague a question.

The VICE-PRESIDENT. Does the senior Senator from Kentucky yield to the junior Senator from Kentucky?

Mr. MCCREARY. Certainly.

Mr. PAYNTER. The Senator has stated the position of the judge and the United States district attorney as to this matter, and the Senator says that no petitions have been presented. I will ask the Senator to speak about the people who do favor it. Has he any doubt that people of the counties of Perry, Knott, Letcher, Leslie, Owsley, Wolfe, Johnson, Magoffin, Menifee, Morgan, and perhaps of some other counties, would like to have this court?

Mr. MCCREARY. This bill has been pending for three months; it has been discussed a good deal, and I have had a number of letters and two petitions protesting against the establishment of the court, but I have never received a letter or petition outside of the county of Breathitt or outside of the town of Jackson saying that this court was needed.

Now, Mr. President, it is proper, in order that we may understand exactly the situation, that I should state how long the eastern district of Kentucky has been established. For one hundred years we only had one district in Kentucky, but in 1901 the State was divided into two districts, known as the "eastern" and "western" districts. I live in the eastern district. I live almost in the center of it. I live within 50 miles of Jackson, where it is proposed now to establish this court.

Mr. PAYNTER. I should like to ask my colleague a question.

The VICE-PRESIDENT. Does the senior Senator from Kentucky yield to the junior Senator from Kentucky?

Mr. MCCREARY. Certainly.

Mr. PAYNTER. Does the Senator mean by rail, when he says he lives within 50 miles of Jackson?

Mr. MCCREARY. I have here the report that was used in the House of Representatives, which says it is 52 miles from Jackson to Richmond.

Mr. PAYNTER. But has not the Senator an accurate knowledge himself with reference to that matter? Is it not 63 miles from Richmond to Beattyville and 23 miles from that point to Jackson, making 86 miles from Richmond to Jackson?

Mr. MCCREARY. It is only 50 miles from Richmond to Beattyville. That is not the route, however.

Mr. PAYNTER. How would you go?

Mr. MCCREARY. The Senator has the wrong route. The proper route is not from Jackson to Beattyville and thence to Richmond, but is from Jackson to Winchester, thence to Richmond.

Mr. PAYNTER. I will ask the Senator if it is not 86 miles from Jackson to Winchester Junction, and the distance from there to Richmond should be added to ascertain distance from Jackson to Richmond via Winchester.

Mr. MCCREARY. What junction?

Mr. PAYNTER. The junction with the railroad that runs from Winchester?

Mr. MCCREARY. Not nearly that. If you will examine the report filed with the bill in the House of Representatives, you will see that the distance from Jackson to Richmond is fixed at 52 miles.

Mr. PAYNTER. I will ask the Senator if it is not nearer from Jackson to Richmond by way of Beattyville than it is by way of Winchester?

Mr. MCCREARY. There is not much difference in the distance in the routes named. What I was about to say was, that for one hundred years in Kentucky we had just one district. The whole State formed one district, and we had five courts. In 1901 the State was divided into two districts. I helped prepare the bill which passed and became a law in 1901 and gave to each of the districts four courts. In the western district courts were established at Louisville, Paducah, Owensboro, and Bowling Green. In the eastern districts courts were established at Covington, Frankfort, Richmond, and London—four courts. They were deemed sufficient. London is in the mountains, less than 40 miles on a direct line from Jackson, where the Senator now proposes to establish a court.

Mr. PAYNTER. Mr. President——

The VICE-PRESIDENT. Does the senior Senator from Kentucky yield to the junior Senator from Kentucky?

Mr. MCCREARY. Certainly.

Mr. PAYNTER. I will say it is about 125 miles by rail.

Mr. MCCREARY. I have here the report that was filed in the House of Representatives, showing that the distance from Jackson to Richmond is only 52 miles. At present there is a court at Frankfort. My colleague lives at Frankfort. He lives 100 miles or more from Jackson. I live within 48 miles of Jackson. It is not difficult for men at Jackson, Breathitt County, to go to court at Richmond. If we are to have a court in every county and then appropriate $100,000 to construct a public building in each county, this bill might be proper; but I am not in favor of that.

I am trying here to represent those who have written to me and telegraphed me and protested against the establishment of this court. I do not believe it is necessary to establish a United States court at Jackson. There is a court already 38 miles from there at London, and another at Richmond, which, as I have said, is 50 miles away. In my opinion, the subject of this bill is to prepare the way to ask for $100,000 to construct a public building at Jackson.

Mr. President, there is not only a court at Richmond, where I live, in eastern Kentucky, and 30 miles from Richmond a court at London, but the public buildings bill that just passed the House of Representatives contains an item of $40,000 to construct a public building there. There is a court also provided for in the eastern district of Kentucky at Catlettsburg, and the public buildings bill, now before the Senate Committee on Public Buildings and Grounds, contains an item of $100,000 providing for the erection of a public building at that point. I am not opposed to these appropriations, but I refer to them to show that an appropriation will be asked if a court is established at Jackson. Civil and criminal business do not require the establishment of a court at Jackson.

The Representative that drafted the bill we are now considering only made provision in the bill for one week of court in March and one week in September at Jackson—two weeks in the whole year. He knew there would be but little business at Jackson, for he only provided for one week in the spring and one week in the fall. I have here a telegram from London, stating court is never held over four days in London. Court is only held four or five days in Catlettsburg, where there is already a court established. Court is only held one week at Richmond each term.

I have here the statement of the Attorney-General as to the business in the eastern district of Kentucky, and I hope Senators will listen to it. I wrote to the Attorney-General to furnish me with a statement showing the business. He says in the eastern district of Kentucky there are 16 criminal and 3 civil cases pending at Catlettsburg; 26 criminal and 13 civil at Covington; 66 criminal and 1 civil at Frankfort; 25 criminal and 18 civil at Richmond, and 113 criminal and 2 civil at London.

Mr. President, does that statement of the Attorney-General show that another place for holding court is needed? Here is a telegram I received from the clerk of the court at London:

> Answering your telegram of this date, there are only thirty-three criminal cases in the United States court at London and one civil action.

There is another matter in this bill to which I wish to call attention. In my opinion there has never been a bill drafted, although many have been drafted to establish courts at certain places, that contains such a provision as this bill contains in section 2. I will read that section:

> SEC. 2. That suitable rooms and accommodations are to be furnished for holding the courts at Jackson, free of expense to the Government of the United States, until such time as a Federal building shall be erected there.

I have examined a number of bills establishing courts, but I have never found in any bill a provision of that kind. The man who drafted this bill had in his mind so strong the erection of a public building that it found its way into the bill, and he provided:

> That suitable rooms and accommodation are to be furnished for holding the courts at Jackson, free of expense to the Government of the United States, until such time as a Federal building should be erected there.

I know the people of Jackson, Breathitt County. They are good people, worthy people, and if a court is established there, they ought not to be required to pay the expense of it. The United States Government should pay the expense.

I think the pending bill should be amended by striking that section out. I have examined the first bill establishing a United States court in the State of Kentucky. There is no such provision in that bill. I have examined the bill passed in 1901—I have it before me—dividing Kentucky into two districts. There is no such provision in that bill. I have examined the bill establishing the court at Catlettsburg two years ago, and there is no such provision in that, and I have never seen it in any other bill.

Mr. President, I do not think my colleague, the junior Senator from Kentucky, who lives more than 100 miles from Jackson, can possibly know as much about the necessity for courts in the eastern district as the United States judge, the United States district attorney, and myself and other lawyers who have petitioned me to resist and oppose the establishment of a court at Jackson. He says that this bill was reported by the Judiciary Committee.

I was before the Judiciary Committee when the bill first came over from the House, and I presented the facts I have here presented, and I did not believe the bill would be favorably reported. The Senator from Kentucky [Mr. PAYNTER] and the Representative from that district [Mr. LANGLEY] then went before the committee without notifying me, and the bill was reported.

Mr. President, I have occupied more time than I intended. I trust I have shown that the bill should not pass.

Mr. PAYNTER. Mr. President, just one word. I hold in my hand a letter from lawyers of Jackson, which shows that ten or fifteen cases brought in the Breathitt circuit court have been removed to the Federal courts. As to London, I never heard the Senator object to the establishment of a court there.

Mr. McCREARY. I never did.

Mr. PAYNTER. I take it for granted Congress is able to take care of the interests of the people, and never will undertake to erect a public building unless it is necessary.

Mr. McCREARY. If my colleague will allow me to correct him, he speaks of London. I helped to prepare the bill which established a court at London. London is less than 40 miles from Jackson, and the people in that section ride on horseback or in vehicles, mostly on horseback. I am in favor of a public building at London, where a court has been established, and am going to vote for it, but I do not believe we ought to erect another public building less than 40 miles from there.

Mr. PAYNTER. We will cross that river when we come to it at some subsequent session of Congress.

The Senator says he has received letters and telegrams from certain persons, but I venture to assert that he has never received a single letter or telegram from any of the people of the counties, ten to fifteen, which will be served by the establishment of a court at Jackson, protesting against the passage of the bill.

Mr. McCREARY. I move to strike out section 2 of the bill. I have never seen such a provision in any other bill. It was not in the bill that established the court at Catlettsburg. It was not in the bill that divided the State into two parts. I move to strike out section 2 of the bill.

The VICE-PRESIDENT. The Senator from Kentucky proposes an amendment, which will be stated.

The SECRETARY. On page 2, commencing in line 24, it is proposed to strike out section 2.

Mr. GALLINGER. Let the language proposed to be stricken out be read.

The Secretary read as follows:

> SEC. 2. That suitable rooms and accommodations are to be furnished for holding the courts at Jackson, free of expense to the Government of the United States, until such time as a Federal building shall be erected there.

Mr. NELSON. If the Senator will allow me, I desire to say that to attempt to amend the bill now at this stage of the session and send it back to the House with the conditions prevailing there would work the defeat of the bill. Therefore I can see no reason why the amendment should be agreed to.

Mr. PAYNTER. I want to ask the Senator from Kentucky if there can be any possible objection, because it provides that people other than the Government shall pay the expense of holding the court. I have been informed since the Senator's statement that he never saw such a provision in any bill before, that bills have passed the House containing such provisions, and one passed before this bill did; and this was required by the Judiciary Committee of the House. My attention has been called to the fact by another Senator that bills have contained such provisions. I have not——

Mr. McCREARY. I have the act establishing a court at Catlettsburg, passed three years ago, and it contains no such provision, and I have here also the act dividing the State into two judicial districts and naming four places where courts shall be held in each district, and there is no such provision in either one of them.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kentucky [Mr. McCREARY].

The amendment was rejected.

Mr. McCREARY. I move that the further consideration of this bill be postponed until the fourth day of the session in December. I shall not make any objection to it at that time, if it appears upon investigation to be necessary. I have not had time to investigate it, and I have received a telegram showing that the sessions of the court as provided in this bill interfere with our circuit courts in some places.

The VICE-PRESIDENT. Will the Senator from Kentucky restate his motion?

Mr. McCREARY. I move that the further consideration of this bill be postponed until the fourth day of the next session. That will be Thursday after the first Monday in December.

The VICE-PRESIDENT. The Senator from Kentucky moves that the further consideration of this bill be postponed until the fourth day of the next session of Congress, the 10th day of December.

The motion was rejected.

The bill was reported to the Senate without amendment.

The VICE-PRESIDENT. The question is, Shall the bill be ordered to a third reading?

Mr. McCREARY. I make the point that no quorum is present.

The VICE-PRESIDENT. The Senator from Kentucky suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ankeny	Curtis	Heyburn	Piles
Bailey	Daniel	Hopkins	Richardson
Bankhead	Depew	Johnston	Scott
Borah	Dick	Kean	Smith, Mich.
Brandegee	Dillingham	Long	Smoot
Briggs	Flint	McCreary	Stephenson
Brown	Foster	McLaurin	Stewart
Bulkeley	Frazier	Money	Sutherland
Burkett	Frye	Nelson	Taylor
Burnham	Fulton	Nixon	Teller
Burrows	Gallinger	Owen	Warner
Clapp	Gamble	Overman	Warren
Clark, Wyo.	Gary	Paynter	
Crane	Guggenheim	Penrose	
Cullom	Hemenway	Perkins	

The VICE-PRESIDENT. Fifty-seven Senators have answered to their names. A quorum is present.

The bill was ordered to a third reading, read the third time, and passed.

LILLA MAY PAVY.

Mr. TELLER. I am directed by the Committee on Pensions, to whom was referred the bill (S. 6231) restoring to the pension roll the name of Lilla Stone Pavy to report it favorably with an amendment, and I submit a report (No. 671) thereon. As we have only a limited time remaining, I ask for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill; which had been reported from the Committee on Pensions, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Lilla May Pavy, widow of Octave P. Pavy, late acting assistant surgeon, U. S. Army, and pay her a pension at the rate of $30 per month.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting a pension to Lilla May Pavy."

ENLARGED HOMESTEADS.

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6155) to provide for an enlarged homestead, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to House amendments numbered 1, 2, 3, 4, 5, 6, 7, and 8, and agree to the same.

That the Senate recede from its disagreement to amendment numbered 9, and agree to the same with an amendment as follows:

In lieu of the matter stricken out by said amendment insert:

"SEC. 6. That whenever the Secretary of the Interior shall find that any tracts of land subject to entry under this act do not have upon them such a sufficient supply of water suitable for domestic purposes as would make continuous residence upon the lands possible, he may, in his discretion, designate such tracts of land, and thereafter they shall be subject to entry under this act without the necessity of residence: *Provided*, That in such event the entryman on any such entry shall in good faith cultivate not less than one-eighth of the entire area of the entry during the second year, one-fourth during the third year, and one-half during the fourth and fifth years after the date of such entry, and that after entry and until final proof the entryman shall reside within such distance of said land as will enable him successfully to farm the same as required by this act,"

And that the House agree to the same.

REED SMOOT,
C. D. CLARK,
A. J. McLAURIN,
Managers on the part of the Senate.

F. W. MONDELL,
A. J. VOLSTEAD,
JNO. W. GAINES,
Managers on the part of the House.

Mr. HEYBURN. I ask that the report be printed and lie over.

The VICE-PRESIDENT. The Senator from Idaho asks that the report be printed and lie over. Rule XXVII provides:

The presentation of reports of committees of conference shall always be in order, except when the Journal is being read or a question of order or a motion to adjourn is pending, or while the Senate is dividing; and when received, the question of proceeding to the consideration of the report, if raised, shall be immediately put, and shall be determined without debate.

Mr. HEYBURN. I raise it by the motion.

The VICE-PRESIDENT. The question is, Shall the Senate proceed to the consideration of the report?

The motion was agreed to.

Mr. HEYBURN. Then the report is the order before the Senate?

The VICE-PRESIDENT. It is before the Senate.

Mr. HEYBURN. I merely serve notice that, so far as resistance will prevent it, this conference report will not be adopted, because it undertakes to take possession of a State against its will and apply to it a law that should not be applied to it; and I may say on behalf of Idaho, and I think I may say on behalf of California also, because the Senator from California joins me in this matter, that if the Senate has any business it desires to attend to the consideration of this report may be deferred.

Mr. CULLOM. Will the Senator allow the report to go over?

Mr. HEYBURN. I am perfectly willing that it shall go over indefinitely.

Mr. FULTON. I should be glad to know——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. HEYBURN. Certainly.

Mr. FULTON. I should be glad to know what change has been made in this bill by the conferees. I understand that it now provides for a homestead of 320 acres, regardless of the character of the land; that is, as to whether or not it is arid, semiarid, or otherwise.

Mr. HEYBURN. They have struck out "arid and semiarid."

Mr. FULTON. If that be true——

Mr. CLARK of Wyoming. Mr. President, that is not true. I was on the conference committee.

Mr. FULTON. The Senator from Wyoming says it is not true. I was going to say that if it were true I should certainly be opposed to the utmost of my ability to adopting this report. But the Senator from Wyoming says it is not true.

Mr. CULLOM. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Illinois?

Mr. CULLOM. I should like at this time to submit a conference report, if this discussion is to be protracted.

Mr. HEYBURN. I do not object. The pending report will be debated.

Mr. CLARK of Wyoming. If it is a conference report on an appropriation bill, I shall not object.

Mr. CULLOM. It is.

LEGISLATIVE, ETC., APPROPRIATION BILL.

Mr. CULLOM submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16882) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1909, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 38, 39, 41, 42, 46, 49, 60, 62, 63, 65, 68, 71, 74, 75, 76, 79, 80, 85, 88, 89, 93, 94, 97, 98, 99, 100, 102, 105, 109, 110, 111, 112, 113, 115, 125, 126, 127, 128, 130, 131, 132, 133, 134, 138, 139, 141, 148, 151, 157, 158, 159, 167, 168, 169, 172, 173, 176, 177, 196, 205, 206, 208, 210, 216,

224, 225, 226, 232, 233, 234, 237, 238, 246, 247, 260, 261, 268, 275, 298, 299, 308, 314, 315, 316, 317, 322, 323, 325, 326, 327, 343, 344, 347, 349, 355, 356, 357, 361, and 362.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 40, 43, 44, 45, 51, 52, 53, 54, 55, 56, 57, 58, 59, 64, 67, 72, 77, 78, 81, 82, 87, 91, 92, 96, 106, 108, 116, 119, 120, 121, 122, 123, 124, 129, 135, 136, 137, 140, 142, 143, 144, 145, 147, 149, 150, 153, 154, 155, 156, 160, 161, 163, 164, 166, 170, 174, 175, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 199, 200, 201, 202, 203, 204, 207, 211, 212, 213, 214, 215, 217, 219, 220, 222, 227, 228, 229, 230, 231, 236, 239, 240, 242, 243, 244, 248, 249, 250, 252, 253, 254, 255, 256, 257, 258, 259, 262, 265, 266, 267, 269, 270, 271, 272, 274, 277, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 290, 295, 300, 301, 302, 303, 304, 305, 306, 307, 309, 311, 312, 313, 319, 320, 321, 324, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 345, 346, 350, 351, 352, 358, 359, 360, 363, 364, and 365; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "seventy-seven thousand eight hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment, and on page 32 of the bill, in lines 20 and 21, omit the words "two telephone operators, at six hundred dollars each," and insert in lieu thereof the following: "one telephone switchboard operator; one assistant telephone switchboard operator;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "seventy-six thousand nine hundred and five dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "eighty-three thousand five hundred and ten dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "forty-six thousand nine hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment, and on page 39 of the bill, in line 25, strike out the word "three;" and on page 40 of the bill, in lines 1 and 2, strike out the words "assistant secretaries of the Treasury, at four thousand five hundred dollars each," and insert in lieu thereof the following: "three assistant secretaries of the Treasury, at five thousand dollars each;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "fifty-five thousand nine hundred and seventy dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and ninety-five thousand eight hundred and ninety dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the number proposed insert "twenty-three;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: In lieu of the number proposed insert "seventeen;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and forty-six thousand three hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and seventy thousand three hundred and eighty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment, and on page 52 of the bill, in line 14, strike out the word "ten" and insert in lieu thereof the word "twenty;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "four hundred and fifty thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows: In lieu of the number proposed insert "twenty-seven;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "thirty-three thousand eight hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "twenty-eight thousand nine hundred and twenty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "three hundred and twenty-eight thousand two hundred and ten dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "two clerks, at nine hundred dollars each;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "forty-eight thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment and on page 82 of the bill, in lines 4 and 5, strike out the words "chief clerk, three thousand dollars," and insert in lieu thereof the words "assistant and chief clerk, four thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and forty-six thousand nine hundred and ten dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the number proposed insert "forty," and on page 85 of the bill, in line 13, after the word "each," insert "fourteen clerks, at nine hundred dollars each;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two hundred and seventy-four thousand three hundred and twenty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 171, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "seventy-four thousand three hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and sixty-six thousand one hundred and sixty-eight dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 197, and agree to the same with an amendment as follows: In lieu of the number proposed insert "five;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "seventy-five thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 209, and agree to the same with an amendment as follows: In lieu of the sum proposed insert

"forty-three thousand two hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 218, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "twenty-six thousand three hundred and eighty dolars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows: In lieu of the number proposed insert "seven;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 223, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred thousand eight hundred and twenty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 235, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two hundred and eighty-six thousand five hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 241, and agree to the same with an amendment as follows: In line 1 of said amendment, after the word "division," insert the words "of surveys;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 245, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For continuing the work authorized by the act approved March third, eighteen hundred and ninety-one, and for the protection of the lives of miners in the Territories and in the district of Alaska, and for conducting investigations as to the causes of mine explosions with a view to increasing safety in mining, to be immediately available, one hundred and fifty thousand dollars, of which sum not more than fifty thousand dollars may be used for salaries."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 251, and agree to the same with an amendment as follows: Omit the matter inserted by said amendment, and on page 119 of the bill, in line 7, strike out the words "chief clerk, two thousand five hundred dollars," and insert in lieu thereof the following: "Chief clerk, who shall be qualified to act as a principal examiner, three thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with an amendment as follows: In lieu of the number proposed insert "eighty-five;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 264, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one million one hundred and eighty-five thousand six hundred and ten dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For rent of rooms in the Union Building for Patent Office model exhibit during so much of the fiscal year nineteen hundred and nine as may be necessary, and for necessary expenses of removal and storage of said exhibit, nineteen thousand five hundred dollars: *Provided*, That a commission, which is hereby created, to consist of the Secretary of the Interior, the Commissioner of Patents, and the Secretary of the Smithsonian Institution, shall determine which of the models of the Patent Office may be of possible benefit to patentees or of historical value, such models thus selected to be cared for in the new National Museum building; the remainder of said models shall, before January first, nineteen hundred and nine, be disposed of by sale, gift, or otherwise, as the Commissioner of Patents, with the approval of the Secretary of the Interior, shall determine."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 278, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "ten thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 289, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 291, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "seven thousand nine hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 292, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 293, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "ten thousand five hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "thirteen thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 296, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "eight thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 297, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "eleven thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 310, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "one hundred and seventy-one thousand seven hundred and ninety dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 318, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two hundred and twenty-six thousand four hundred and ninety dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 328, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "forty-seven thousand eight hundred and forty dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 342, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "forty thousand dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 348, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "thirty-two thousand eight hundred dollars;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 353, and agree to the same with an amendment as follows: In lieu of the number proposed insert "three hundred and forty;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 354, and agree to the same with an amendment as follows: In lieu of the number proposed insert "one hundred and forty-two;" and on page 152 of the bill, in line 8, strike out the word "six" and insert in lieu thereof the word "four;" and the Senate agree to the same.

S. M. CULLOM,
F. E. WARREN,
H. M. TELLER,
Managers on the part of the Senate.

F. H. GILLETT,
J. A. TAWNEY,
A. S. BURLESON,
Managers on the part of the House.

The report was agreed to.

ENLARGED HOMESTEADS.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6155) to provide for an enlarged homestead.

Mr. HEYBURN. There has been some controversy as to whether or not the words "arid and semiarid" have been stricken out of the bill as reported. I have not had access to the report, permission having been denied to print it. I will either have to use the original——

Mr. CLARK of Wyoming. Whether or not the words "arid and semiarid" have been stricken out, the description in the bill is such that it would fit no land except arid and semiarid land.

Mr. HEYBURN. I stated that the provision that this bill should apply to arid and semiarid lands was stricken out. I have now before me the bill as it comes from the committee.

Mr. President, I with great reluctance enter again upon the consideration of public-land matters in this body, and I had hoped that I would not be interested in the provisions of this bill when it came back from the House, we having omitted Idaho from its provisions. I shall not shirk my duty because of the time it will take to consider this matter. It is, if I may use a term that would seem, perhaps, a little harsh, a land-grabbing proposition. It is an attempt to double the area of homesteads. I say that without any reflection upon the motives or intent of the Members of the House or the members of this body who may differ with me.

I am giving my judgment in the matter. I had perhaps more accurately expressed it if I had said it was in the interest of land grabbing. The wisdom of a half century has limited homesteads to 160 acres. This is an attempt to double them.

When the bill was before the Senate and as it passed the Senate it provided that it should apply only to arid and semiarid lands, in effect, and it exempted the State of Idaho from its provisions, because in that State we have no need of this class of legislation; and while it may be, and I am willing to accede that it will be, true of Wyoming and of Colorado and some such States that this bill would not have the effect that it would have in the State of Idaho, I shall not, so far as I can prevent it, permit it to apply to the State of Idaho.

I supported a dry-farming bill in committee and in the Senate. We passed it and sent it to the House. It has not passed that body. I am not open to the charge that I am not in favor of appropriate legislation in the interest of dry farming. This is not a bill in the interest of dry farming. Under its provisions the lands upon great mountains, the lands upon the high plains of Nez Perces and Idaho counties, that yield 30 or 40 or 50 bushels of wheat to the acre, could be taken up in tracts of 320 acres. Nonirrigable land! That is the limitation that they have attempted to apply. Nonirrigable land may be land that can not be irrigated. That would be true of that kind. But there is an additional condition that it does not need irrigation.

The natural rainfall is sufficient throughout that country to raise perfect crops without irrigation. That is nonirrigable land. If it is not, why did they strike out the words that would have made it sure—the words "arid and semiarid?" Dry farming is supposed to be a method for the taking advantage of conditions where lands are arid or semiarid in order that, by cultivation of the soil, the scarcity of rainfall may be overcome.

I suspected when this bill first came up for consideration that the words "arid and semiarid" would be objectionable. The first time I proposed them I was told, with a show of candor and earnestness, that they were not necessary. They are necessary to quiet my objections to this measure. The very fact that they are objected to gives away this bill. Dry farming is supposed to be carried on only upon that class of land. This is said to be a bill in the interest of dry farming. Then, if it is, confine it to the class of land on which dry farming can be carried on. Refuse to so confine it, and I suspect the bill.

Other Senators are the best judges of conditions in their States. I am told that in Wyoming the conditions are entirely different. Then apply the bill to Wyoming. But I know of no reason why the State that is so magnificently supplied with water for the purposes of irrigation as Idaho is should be subjected to such a bill, however wise it may be in its provisions as applied to Wyoming.

Are we to have nothing left of the heritage of lands that belong to our State? Is every fad and fancy that reaches out for them to take a part of them? No, Mr. President, it is a most unfortunate attempt on the part of those outside the State to dictate the policy of the Government in our State. They either know nothing of the conditions, or they care nothing for them—one or the other. They either know nothing of what is best for the State of Idaho, or they care nothing for it; and those who represent Idaho on this floor are not disposed to stand it.

Nature has provided in that State to an unusual degree for overcoming the conditions that this bill professes to overcome. We need no such legislation, and to sit here and allow it would be a crime upon the part of anyone charged with the representation of the interests of that State. It means doubling the area of a homestead. That means cutting in two the number of citizens to be represented by settlement upon those lands. They have withdrawn a third of the State from settlement. A third of it is settled. Now they would cut the other third in two, so that it would mean that that area should comprise only one-sixth of the population of the State.

As I said, I had hoped that the discussion of public-land questions had ended for this session of Congress, and I have no doubt that that wish on my part met a hearty response in the breast of every member of this body. But I am not going to shirk a duty, however much the surfeit of the consideration of this kind of questions. I can not understand how Senators can sit here and vote for the destruction of the best interests of the State of Idaho at the request of a Senator from some other State. I have adopted and pursued the policy since I have been in this body of deferring to the judgment of the Senators from the States where the questions were applicable, and I believe that is the proper policy.

Mr. NEWLANDS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Nevada?

Mr. HEYBURN. Certainly.

Mr. NEWLANDS. I should like to ask the Senator from Idaho whether the representation of Idaho in the Senate is not divided upon this question?

Mr. HEYBURN. No; they were not when they voted on this question, and I have no reason to suspect that they are now.

Mr. NEWLANDS. My understanding is that the junior Senator from Idaho [Mr. BORAH] favors this bill.

Mr. HEYBURN. I ask the Senator from Nevada where he got his understanding? My colleague voted as I did on the bill before, and I have not heard of any change on his part.

Mr. NEWLANDS. I stand corrected, then. I also understand that the delegation in the House favor it.

Mr. HEYBURN. I will say, with all deference to the Senator from Nevada, that that is not a proper suggestion in this body.

Mr. NEWLANDS. I understand the Senator was protesting against the Senate forcing a measure upon the State of Idaho against the judgment of the Idaho delegation.

Mr. HEYBURN. Mr. President, that is not a proper suggestion in this body.

Mr. NEWLANDS. So it seemed to me that that made it a matter of proper information to give the Senate, as to whether the delegation from Idaho is unanimous on this proposition or not.

Mr. HEYBURN. I object to the suggestion in the Senate, under the rules.

Mr. NEWLANDS. I will not press the suggestion. I simply asked for information as to whether there was any division of opinion amongst the Senators, and also as to what was the sentiment of the entire delegation of Idaho, understanding——

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield further to the Senator from Nevada?

Mr. HEYBURN. I decline to yield to the Senator for further consideration of such questions.

The VICE-PRESIDENT. The Senator from Idaho declines to yield further.

Mr. HEYBURN. Mr. President, I think that we may safely leave it to the Senators representing States upon this floor to determine not only their own policy, but the policy of the States they represent, where the application of the policy does not extend beyond the borders of the State. It seems to me highly improper that Senators from some other States should come in as though they had either superior wisdom or superior experience or superior rights in this body to criticise and attempt to correct the representatives of any State in matters purely economical belonging to the State. I think I know whereof I speak when I say that a bill of this kind would be destructive of the best interests of the State. Senators are going to vote upon this question. I will submit a few queries to them on some phases of this case. The bill under consideration provides—

That any person who is a qualified entryman under the homestead laws of the United States may enter, by legal subdivisions, under the provisions of this act, in the States of Colorado, California, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming, and the Territories of Arizona and New Mexico, 320 acres or less nonmineral, nonirrigable, unreserved, and unappropriated surveyed public lands which do not contain merchantable timber located in a reasonably compact body and not over 1½ miles in length.

Mr. President, there is no occasion for enlarging the present unit of the homestead except under exceptional circumstances, in States where some provision may be necessary in order to promote and encourage dry farming. Dry farming is a new process, only partially exploited, whereby the farmer uses the land only every other year for the production of crops. He plows it once or twice this year and next year he plows it again and sows his crop. Then, if he raises a crop, he reaps it, and he allows the land to lie idle for another year. The pretext upon which the dry-farming legislation is being urged is based upon the supposition that in farming other than dry farming a man plows all of his land every year and raises a crop on all of it. Of course that is not true, but it does as well as anything else for a pretext for this class of legislation. No farmer ever does, except in the rarest instances, put all of his land in crop in one year.

It is said that we must give them more than 160 acres, because 160 acres have been accepted as a proper unit for farming other than dry farming, and that therefore, based upon the supposition that a man can crop only half of his land one year, he must have twice as much land as he has under other conditions. Those conditions are said to exist in Wyoming, Utah, Colorado, and in some other sections. They do not exist in Idaho except in the rarest cases, and not to a sufficient extent to either justify or authorize or require any legislation whatever on the subject.

Idaho has large rivers rising high in the mountains. The elevations in that State rise from about 400 feet above sea level to nine or ten thousand feet above sea level. All the farming lands in that State, I may safely say, lie under 6,000 feet above sea level. There is not any of this land in Idaho that can not be conveniently covered by water for irrigation purposes. It is a question of distance, and that question has become one of slight importance.

Mr. President, the purpose of statehood and of Government is to bring together the individual units that the life which flows from a community will build up a prosperous State.

The VICE-PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by the Secretary.

The SECRETARY. A joint resolution (S. R. 74) suspending the commodity clause of the present interstate-commerce law.

Mr. KEAN. The Senator from West Virginia [Mr. ELKINS] is very anxious to have a vote on the joint resolution, but he is unavoidably detained from the Chamber to-day.

Mr. DICK. My colleague [Mr. FORAKER] has a substitute before the Senate for the unfinished business. He is unavoidably detained by illness and makes the request that the unfinished business be laid aside until he may be present.

Mr. KEAN. If the Senator from Ohio asks that it be laid aside, I think the Senator from West Virginia would consent if he were here, and I therefore ask that the unfinished business be temporarily laid aside.

The VICE-PRESIDENT. Without objection, the unfinished business will be temporarily laid aside. The Senator from Idaho will proceed.

Mr. HEYBURN. Mr. President, it is with great reluctance that I feel constrained to continue the consideration of this question, and I ask the Senator in charge of the measure if he will not consent to have it go over?

Mr. SMOOT. Mr. President, the Members of the House are very anxious, indeed, that this conference report shall get to the House as soon as possible, and I do feel that it ought to be voted upon to-day, because the session is drawing to a close. I should like very much to have the conference report passed upon as soon as possible.

Mr. FLINT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from California?

Mr. HEYBURN. Certainly.

Mr. FLINT. I desire to ask the Senator from Utah a question. I ask him whether he would be willing to have the conference report rejected by the Senate and make an effort to have California and Idaho eliminated from the provisions of the bill as it originally passed the Senate? All the Senator from Idaho and myself are contending for is that our States should be omitted from the bill. So far as I am concerned, I am not objecting to the terms for any other States, but as far as my State is concerned (and the Senator from Idaho feels the same with regard to his State) I think it is a great injustice to have the homestead entry increased to 320 acres.

Mr. SMOOT. In answer to the Senator from California, I will state that the question was discussed in conference as to whether the Senate should agree to the amendment of the House as to Idaho and California, and the conferees understood that as far as Idaho was concerned the Members of the House were very anxious that Idaho be included in the bill.

Mr. HEYBURN. Mr. President, I will not yield a moment further if the Senator insists on violating the rule. It is not proper in this body to discuss or to refer to the attitude of Members of the other House.

Mr. SMOOT. I was answering the question of the Senator from California, but I do not particularly care to proceed.

Mr. HEYBURN. If the Senator is answering a question——

Mr. SMOOT. I may say that I understood also in the conference that there is a division of opinion between the Senators from Idaho. Now, if the Senator from Idaho does not wish me to go any further in explanation, I certainly will not do so, but will withhold any other remark that I was going to make.

Mr. HEYBURN. I certainly do not intend to submit to a violation of the rules with reference to a discussion of the attitude and vote of the Members in the other body.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the senior Senator from Idaho yield to his colleague?

Mr. HEYBURN. Certainly.

Mr. BORAH. As the bill was originally reported to this Chamber I should have been glad to have seen Idaho included in the bill, but as the words "arid and semiarid" have been stricken from the bill I should not disagree with my colleague as to the measure.

Mr. HEYBURN. Mr. President, I thought I knew the position of my colleague when I answered the Senator from Nevada [Mr. NEWLANDS]. We have conferred in regard to this matter. So far as the question is under consideration in this body, those who here are entitled to be heard, directly or indirectly, upon this matter are in accord. If Members of Congress desire that they shall have the benefit of this legislation for their States, let them agree to eliminate the States of Idaho and California from the bill, because the Senator from California, I think, is as firmly of the opinion that it would be an injury to his State as we are that it would be injurious to Idaho.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield further to his colleague?

Mr. HEYBURN. Certainly.

Mr. BORAH. I think it is proper for me to say in justice to the statement which was made by the Senator from Utah that he undoubtedly understood I was in favor of the bill, but I did not know at that time that the words "arid and semiarid" had been stricken from the bill. I am compelled to agree with my colleague on the proposition for the reason that we have a vast amount of territory in the northern part of the State, which, in my judgment, would be subject to entry, notwithstanding the fact that it is not arid nor semiarid. For that reason, as I said, I agree with my colleague, although I think this statement should be made in justice to the Senator from Utah.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. Certainly.

Mr. SMOOT. This question was discussed very thoroughly by the conferees before an agreement was reached striking out the words "arid and semiarid" from the bill. The conferees thought, and so decided, that the words "arid and semiarid" were absolutely unnecessary when the word "nonirrigable" was used, and that that covered it absolutely. So thought every member of the conference on the part of the Senate and House, and it was not done for any other purpose than to make the bill as perfect as possible. The conferees do feel that the words "arid and semiarid" are absolutely unnecessary when taken in connection with the requirements of the bill—that the land must be nonirrigable.

Mr. HEYBURN. Mr. President, it was never claimed on behalf of the dry-farming adherents that any lands other than arid or semiarid were within the contemplation of that scheme of farming. When we passed a dry-farming bill some months ago in this body we felt that we had made every possible concession to the experiment of dry farming. Dry farming is an experiment. I think it will be successful. I have seen instances of its application to the arid lands where it was successful. I am willing to concede to it the benefit of the doubt and concede that it will be successful. But this is not a dry-farming bill, because it is made applicable to other than arid and semiarid lands.

Nonirrigable has but one meaning, and that is that the land can not be irrigated or is not irrigated. Had you submitted

that question to the Geological Bureau of the Government or to all the experts you could bring together five or ten years ago, they would have said that the millions of acres now under irrigation were nonirrigable, and the lands would have been taken up in areas of 320 acres instead of within the limitation of the homestead. That is the situation. Every acre of the Twin Falls reclamation scheme would have been liable to location under the provisions of this bill as nonirrigable land. The water was brought 80 miles to irrigate those lands. It is being carried far beyond that distance to irrigate other lands. Those lands would be held nonirrigable and subject to location in 320-acre tracts under the provisions of this act.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. Certainly.

Mr. SMOOT. The bill also provides that before title can be passed to the entryman there must be one-quarter of it under cultivation. If the lands are nonirrigable it would be impossible to cultivate them until, through some engineering feat, water is brought upon the land. Therefore the land the Senator speaks of could not be settled under the bill.

Mr. HEYBURN. Mr. President, the provision that at least one-quarter or any other proportion of the lands should be under cultivation at a given time would be much more easily applied to our lands within the humid region than to those within the arid region. So there is nothing in that point that appeals to me as an answer to the suggestion which I have made. I have the bill before me. They have cut out the words "arid and semiarid," and the only word of limitation is "nonirrigable." What would be meant by nonirrigable? Lands that were not subject to irrigation because of the conditions that surrounded them. I think that would perhaps be a correct answer to that. While we have learned very much in the way of irrigation of arid lands and the reclamation of arid lands within the last two years, the probabilities are that within the next five years we will have learned much more than we have learned within all of the past.

Four years ago next August and September I was over lands that are now amongst the most beautiful and fertile and productive in Idaho, and they were a sagebrush plain upon which nothing grew except sagebrush and the meager grass that grows with sagebrush. Yet that whole country to-day is under water through a system of irrigation that was not contemplated five years ago—not thought possible or practical at all. It was not dreamed that those lands, lying so high above the river—say 1,000 feet above the gorge within which the river flows—could possibly be irrigated. Yet, through the genius and generosity of some inhabitants of the State of Pennsylvania, those lands have been brought under cultivation within that period, and on that particular tract of land, that contributed not one dollar of taxation at that time to the expense of government, not one citizen to the citizenship account of the country, the last assessment—that of this year—was over $3,000,000 on real estate, with a corresponding assessment of values of personal property and with a citizenship that will be represented on the next election day by about 5,000 voters. That is all new, and it could not have been anticipated under any known rule for estimating the future of the country. They now come in with a provision of this kind that would allow that land to be taken up in tracts of 320 acres, which would enable ten men to take up 3,200 acres in front of some irrigation scheme, and thus defeat it.

I heard some eloquent words here in regard to the preservation of the natural resources of the country, and I heard eloquent words about the forests that were to hold the waters and irrigate the lands. What becomes of that eloquence and the reasoning that was within it if you are going to give the lands to the land grabber? What is the use in conserving the waters of the country to irrigate the lands under those conditions?

What are more correctly speaking the natural resources of the country than the lands themselves? What more accurately constitute natural resources than the public lands of the United States? Yet you would cast them to the winds on a theory that in some arid section of the country some one might want to engage in the experiment of dry farming; and you would compel a great State to discount its resources, to anticipate its future, by doubling the area of the homesteads. Why, if such a law had been in effect, it is safe to say that there is not one of the great water projects out there which could have been carried to successful completion. Men knowing, as they always know months ahead—they know it through the records—that it was contemplated to bring water upon that land, would go in and take it up under this act. They would have said it is nonirrigable because there is no irrigation in sight for it. They would have said, the water 220 miles up at the head of the Snake River could not possibly be brought upon this land. They would have said that the waters of the Snake River could not have been taken upon the Twin Falls tract; and they would get in there in a little body and locate two or three or four or five thousand acres.

Mr. President, these rights, if they are ever given, will be used for just the purposes that I have pictured. They will be used to either defeat or hold up irrigation enterprises in that section of the country upon which the entire future of south Idaho rests. Are we to sit idly by and see that kind of legislation merely because somebody wants that kind of legislation in some other State? Are you going to strangle Idaho here against the protest of both Senators in this body from that State? Is your wisdom, is your wish based upon the experience that would justify you in that action when we are not trying to regulate the matter in your States?

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER (Mr. KNOX in the chair). Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. I do.

Mr. CLAPP. I have been out of the Chamber for a short time, and I would inquire the status of this conference report. Did the bill contain an amendment in either House excepting Idaho?

Mr. HEYBURN. Yes. We sent it out of this body excepting Idaho.

Mr. CLAPP. And did it come back including Idaho?

Mr. HEYBURN. Yes. We sent it out excepting Idaho and California, and we sent it out with the words of limitation "arid and semiarid lands" in it, and it has gone somewhere, and a spirit of recklessness——

Mr. CLAPP. Will the Senator pardon another question as to the words "arid and semiarid lands?" Are they applicable only to Idaho, or generally?

Mr. HEYBURN. Oh, they make it applicable generally; but I would say to the Senator from Minnesota that lands that might be classified under somebody's judgment as arid or semiarid in one State could have no counterpart in another.

Mr. CLAPP. I appreciate that; but I was inquiring more with reference to how far they had interfered in legislation with particular States against the wishes of the delegations from such States.

Mr. HEYBURN. No, Mr. President; the test of the faith was in those words "arid and semiarid." I was not the only Senator who discovered that fact. The dry-farming bill, which we sent out of this body early in the session, provided that the parties need not live upon this land if it were arid or semiarid land and had no water for domestic purposes upon it. If they could raise crops by this double and treble plowing and cultivating, they would be excused from living upon it, provided they lived in the State. That was as far as Congress should go in regard to dry-farming legislation; but it did not meet the approval of those who want the door opened so that they can reach out and get a double quantity of the public domain.

We have counties in our State to which this law would be applicable that have large areas of magnificent land that would be subject to location and homesteading under it. It is proposed to throw open the door. What is the purpose of those who advocate the bill? Do they not believe the statement, or are they willing to believe it and disregard it? I should like to know, and I should like to hear from them. Are they willing to do an injustice to that State merely to carry out a fad? The idea of standing up here and boasting their zeal to preserve the public land against the spoiler; the idea of standing up here and boasting their zeal to preserve the natural resources of the country, and then giving their support to a land-grabbing measure of this kind, is beyond my comprehension.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Montana?

Mr. HEYBURN. Certainly.

Mr. DIXON. I should like to know of the Senator from Idaho if he would still oppose the bill if the word "semiarid" was put back into it?

Mr. HEYBURN. I will not oppose the bill if Idaho is exempted from its provisions. It has no proper application to Idaho whatever, under any circumstances. If you want it for Montana or if you want it for Colorado, take it, and God bless you until the day that you find out the mistake you have made.

I think I know something of those conditions. There are very few men who have lived longer under public-land conditions or on the frontier than I have, and I have not lived there with my eyes shut. I have seen this kind of thing going on under just such lax legislation, and I am determined that in

this hour I shall take advantage of the opportunity, not only to express my views against it, but, if I can, to defeat this measure if my strength will hold out. I should like to know upon what grounds Senators would vote to compel Idaho to submit to this outrage, when both Idaho Senators stand here opposing it?

Mr. CLARK of Wyoming. Mr. President——

Mr. HEYBURN. Are we to be made the plaything of other States?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. Yes; I yield.

Mr. CLARK of Wyoming. I have asked the Senator from Idaho to yield in order that the conference committee may not be misunderstood, and to put upon record the fact that all Idaho is not unanimous on this proposition, but that the House—I will not say the "House," but in another body is the Representative of Idaho who insists upon Idaho being included. I make that statement simply to make the record straight so far as the conference committee is concerned.

Mr. HEYBURN. Mr. President, is it the rule of conferees or the rule of this body that conferees or any others who are to settle a controversy of this kind will go outside of the Senate and go past the Senators representing a State in order to find out what is best for that State? In that case the State had better withdraw its representatives here and select those elegant gentlemen who have been consulted in this matter.

Mr. CLARK of Wyoming. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. Yes.

Mr. CLARK of Wyoming. My view of a conference committee and their duties has always been to secure, if possible, in legislation the views of the particular body which the conferees represent; but my further view of the duty of a conference committee is not arbitrarily to defeat needed legislation because the entire views of the body can not be met. But the very idea of a conference committee is to confer and agree upon those things that seem reasonable to both Houses.

Mr. FULTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oregon?

Mr. HEYBURN. Certainly.

Mr. FULTON. I have not been in the Chamber during the entire course of the discussion, and the point I have in mind may have been covered and an explanation given regarding it; but I would be glad to know on what grounds and for what reason the words "arid" and "semiarid" have been eliminated from the bill? Has that been explained? I would ask the Senator from Idaho to explain it.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to his colleague?

Mr. HEYBURN. I do.

Mr. BORAH. That is the precise question which I rose to ask the Senator from Wyoming [Mr. CLARK], or the Senator from Utah [Mr. SMOOT]. I wish to ask why the words "arid" and "semiarid" were stricken out, because, in my judgment, that is a very important matter, notwithstanding the views of some others.

Mr. FULTON. Mr. President, it seems to me a very important matter, and it seems to me those are essential words in the bill. It may be that an explanation can be offered which will satisfy me; but I am frank to say that unless one shall be offered, I shall oppose the adoption of this measure. I had rather see it defeated than to see it fail to meet what to my mind was the purpose of the bill originally, if it does not apply and is not intended to apply to arid and semiarid lands.

Then I shall be opposed to another feature of the bill that does not commend itself to me, and that is, that it does not require actual residence on the land.

Mr. HEYBURN. Mr. President, that question will remain unanswered, I presume, as to why they eliminated the words "arid" and "semiarid." Let me call your attention—and I ask the Senator from Oregon to give attention to this, for it will be interesting to that Senator——

Mr. CLARK of Wyoming. Mr. President——

Mr. HEYBURN. I read from the conference report, section 6, which the conferees have substituted for section 6 in the original bill as it went to the other House. It reads as follows——

Mr. FULTON. That is, you are about reading the section as it went to the House of Representatives?

Mr. HEYBURN. No; I am going to read it as it comes back from the conference committee.

SEC. 6. That whenever the Secretary of the Interior shall find that any tracts of land subject to entry under this act do not have upon them such a sufficient supply of water suitable for domestic purposes as would make continuous residence upon the lands possible, he may, in his discretion, designate such tracts of land—

It does not say what he shall designate them as, but just "designate them"—

and thereafter they shall be subject to entry under this act without the necessity of residence: *Provided*, That in such event the entryman on any such entry shall in good faith cultivate not less than one-eighth of the entire area of the entry during the second year, one-fourth during the third year, and one-half during the fourth and fifth years after the date of such entry, and that after entry and until final proof the entryman shall reside within such distance of said land as will enable him successfully to farm the same as required by this act.

Now, that is, or is intended to be, a complete substitute for section 6 of the bill as it left the Senate.

Mr. FULTON. I call attention to the fact that that establishes no rule, no standard, whereby this character of land is to be taken in quantities of 320 acres. It simply leaves it at the discretion of the Secretary of the Interior to designate lands of this character whenever he sees fit, to be subject to entry of 320 acres. If you retain the words "arid or semiarid," you would have a standard, some rule by which it might be determined. Here it is left absolutely open to the ipse dixit of the Secretary of the Interior, wholly in his discretion, without any standard or rule by which he is to be governed.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. Certainly.

Mr. SMOOT. I simply want to call the attention of the Senator to the fact that it provides that the lands must not have upon them a sufficient supply of water to use for domestic purposes—that is, they must be devoid of water sufficient for domestic purposes, such as drinking water for the family and for the stock.

Mr. FULTON. Why, then, strike out the words "arid and semiarid?"

Mr. SMOOT. Mr. President, I heretofore made an explanation in the Senate about that and will do so again if necessary.

Mr. FULTON. We know what that means.

Mr. CLARK of Wyoming. I will inquire of the Senator from Oregon what it means as a legal proposition?

Mr. FULTON. It means land upon which there is not a certain amount of precipitation or moisture.

Mr. CLARK of Wyoming. How much?

Mr. FULTON. I do not remember just what it is, but I think it is 9 inches.

Mr. CLARK of Wyoming. I will say to the Senator that one reason why the conference committee agreed to the House proposition to cut out these words was that they are entirely uncertain. There is no legal determination as to what is arid land and as to what is semiarid land.

Mr. FULTON. Does the Senator think that he has fixed the certainty now?

Mr. CLARK of Wyoming. I think we have eliminated an uncertainty.

Mr. FULTON. Yes, and jumped from one uncertainty into a far greater one.

Mr. HEYBURN. Mr. President, the condition of arid or semiarid land is a question of fact, and it varies with varying and changing seasons. There is no man who is familiar with the West who does not know that sometimes for several years the country will have a sufficient rainfall to render any irrigation unnecessary, and there is also no one acquainted with it who does not know that there will come periods of one, two, or three years, sometimes successively, when the land must be irrigated to raise a crop. That was the condition upon this coast in the early days. I remember, and I presume that many other Senators remember, when the remnants of the old irrigation ditches were still in this country. I have seen in Chester, Delaware County, Pa., irrigation ditches that were constructed by our ancestors in order to be prepared to meet the emergency of a dry season; but for some reason in more recent times they have taken chances, and sometimes they have paid for taking chances.

The arid and semiarid lands can not be classified. Last year I saw as good a corn crop growing within a close distance of Burley, in Cassia County, Idaho—which is considered to be the arid of arid lands—as you would see anywhere in this country, and during the last season I have seen wheat fields in that section of the country that yielded 32 or 33 bushels of wheat to the acre, and yet other years will come when they will produce nothing without irrigation. Is that irrigable or nonirrigable land? Is that arid or semiarid land?

But the joker in this section—if I may use such a term—is to be found here, and I want the attention of the Senator from Utah to this consideration of the amendment——

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. Certainly.

Mr. NELSON. I would suggest to the Senator from Utah [Mr. SMOOT] that the conference report be withdrawn, in order that he and the Senator from Idaho may confer about this matter, if that is satisfactory.

Mr. HEYBURN. I do not care what becomes of it, so that it is not adopted.

Mr. NELSON. It may be that the State of Idaho could be eliminated, and I presume if that is the case——

Mr. HEYBURN. That will terminate the discussion so far as I am concerned.

Mr. NELSON. I suggest that proposition to the Senator from Idaho.

Mr. SMOOT. I move that the report be withdrawn temporarily.

Mr. KEAN. The report can only be withdrawn by unanimous consent.

Mr. HEYBURN. It takes unanimous consent.

Mr. SMOOT. Well, I ask unanimous consent, Mr. President, that the report be withdrawn temporarily.

The VICE-PRESIDENT. The Senator from Utah asks unanimous consent that the conference report be temporarily withdrawn.

Mr. HEYBURN. With the understanding that it will not be called up again to-day.

Mr. SMOOT. With the understanding that it will not be called up again to-day, unless that course is satisfactory to the Senator.

The VICE-PRESIDENT. The report is temporarily withdrawn.

COAL LANDS IN ALASKA.

Mr. ALDRICH. I move that the Senate adjourn.

Mr. NELSON. I should like to have the Senator withhold that motion for a moment in order that I may ask for the consideration of a bill which will not occasion debate.

Mr. ALDRICH. The Senator from Minnesota says he has a bill he desires to have considered which will not give rise to any debate, and I therefore withdraw the motion to adjourn.

Mr. KEAN. It will not be objected to?

Mr. NELSON. I do not think so. It is a bill relating to the coal deposits in Alaska.

Mr. KEAN. Very well.

The VICE-PRESIDENT. The Senator from Rhode Island withdraws his motion.

Mr. ALDRICH. I withdraw the motion for that purpose.

Mr. NELSON. I ask unanimous consent for the present consideration of the bill (S. 6805) to encourage the development of coal deposits in the Territory of Alaska. I wish to say that that bill has been prepared by the Department of the Interior and meets with the approval of the Secretary of the Interior.

Mr. KEAN. I want to say, Mr. President, that I think the third section of that bill should have no place in any law enacted by Congress.

The VICE-PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The VICE-PRESIDENT. The pending question is on the amendment reported by the Committee on Public Lands in the nature of a substitute, which has heretofore been read.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, and read the third time.

Mr. TELLER. I will inquire if that is the bill which passed the other day and was reconsidered?

The VICE-PRESIDENT. This bill was passed and reconsidered on a previous occasion.

Mr. TELLER. I want to know whether the bill is satisfactory to the Senator from California [Mr. FLINT], who moved that the vote by which it passed be reconsidered?

Mr. NELSON. The bill is as reported by the Senator without any amendment.

Mr. TELLER. Then it is all right.

The VICE-PRESIDENT. The question is, Shall the bill pass?

The bill was passed.

LANDS AT CORDOVA BAY, ALASKA.

Mr. NELSON. I ask for the present consideration of another bill relating to Alaska, being the bill (S. 6418) authorizing the sale of lands at the head of Cordova Bay, in the Territory of Alaska, and for other purposes.

Mr. KEAN. I shall have to object to that bill.

The VICE-PRESIDENT. Objection is made.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the Speaker of the House had appointed Mr. SIMS of Tennessee a conferee on the part of the House on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 20120) to authorize the construction of a railroad siding to the United States navy-yard, and for other purposes, in place of Mr. MURPHY, relieved.

The message also announced that the House had passed the bill (S. 5617) authorizing the Secretary of the Navy to accept and care for gifts presented to vessels of the Navy of the United States.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 15641) for the removal of restrictions from part of the lands of allottees of the Five Civilized Tribes, and for other purposes; asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SHERMAN, Mr. KNAPP, and Mr. STEPHENS of Texas managers at the conference on the part of the House.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 21884. An act granting an annuity to Jennie Carroll and to Mabel H. Lazear;

H. R. 21927. An act to reimburse certain Departments of the Government for expenses incurred incident to the recent fire in Chelsea, Mass., and for other purposes; and

H. J. Res. 176. Joint resolution providing for the printing of the Special Report on the Diseases of Cattle.

HOUSE BILLS REFERRED.

H. R. 21884. An act granting an annuity to Jennie Carroll and to Mabel H. Lazear was read twice by its title and referred to the Committee on Pensions.

H. R. 21927. An act to reimburse certain Departments of the Government for expenses incurred incident to the recent fire in Chelsea, Mass., and for other purposes, was read twice by its title.

Mr. KEAN. Mr. President, the Senator from Massachusetts [Mr. CRANE] is very much interested in that bill, and I should like to have it referred to the Committee on Appropriations.

The VICE-PRESIDENT. The bill will be referred to the Committee on Appropriations.

H. J. Res. 176. Joint resolution providing for the printing of the Special Report on the Diseases of Cattle was read twice by its title and referred to the Committee on Printing.

LANDS OF THE FIVE CIVILIZED TRIBES.

The VICE-PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 15641) for the removal of restrictions from part of the lands of allottees of the Five Civilized Tribes, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CLAPP. I move that the Senate insist upon its amendments, agree to the conference asked for by the House of Representatives, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to, and Mr. OWEN, Mr CLAPP, and Mr. CURTIS were appointed as the conferees on the part of the Senate.

POWER OF CONGRESS OVER TREATIES.

Mr. TELLER. Mr. President, the question has been raised as to the power of Congress to abrogate treaties by an act inconsistent with the treaty. I would like to submit a brief containing some extracts of decisions on that subject, and ask to have it printed as a document, and also that it be printed in the RECORD.

The VICE-PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

That Congress can repeal a treaty with a foreign power by an act can not be questioned, considering the many decisions of cases to that effect. Such proceedings on the part of the courts can also be defended upon the theory that a treaty is the supreme law of the land no more than that of a statute.

In case of a conflict between the treaty and the statute the same rule of interpretation is adopted that would be between statutes apparently in conflict. The courts have no discretion and will not consider whether the statute ought to have been enacted or not. The question simply for the court is, Does a fair construction of the statute conflict with the treaty?

A court will not inquire what Congress intended by the act if the words plainly import a conflict between the statute and the treaty.

Of course it is the duty of the court to reconcile a difference between the statute and the treaty if that is consistent with the plain words of the statute and treaty.

Repeals of statutes and abrogation of treaties are not favored by implication, but where the language of the statute needs no explanation or interpretation the court must enforce its meaning.

In the case of Chew Heong *v.* United States, in 112 United States, page 549, speaking of a repeal by statute, the court says:

"There must be a positive repugnancy between the provisions of the new laws and those of the old, and even then the old law is repealed by implication only pro tanto, to the extent of the repugnancy."

Again the court says:

"It must appear that the later provision is certainly and clearly in hostility to the former."

In this case there was no controversy in the court as to the power of Congress to repeal the treaty, but the question was whether Congress had by its act repealed certain features of the treaty.

In the case of Ropes et al. *v.* Clinch (8th Blatchford, 304), the syllabus reads:

"Congress may pass any law, otherwise constitutional, notwithstanding it conflicts with an existing treaty with a foreign nation.

"If an act of Congress is plainly in such conflict, a court can not inquire whether, in passing such act, Congress had or had not an intention to pass a law inconsistent with the provisions of the treaty.

"Modes specified in which Congress may destroy the operative effect of a treaty," etc.

In the case of United States *v.* Lee Yen Tai (185 U. S., 221), the court quotes from Whitney *v.* Robertson (124 U. S., 190, 194), as follows:

"By the Constitution a treaty is placed on the same footing and made of the like obligation with an act of legislation. Both are declared by that instrument to be the supreme law of the land, and no superior efficacy is given to either over the other."

In the case of Ward *v.* Race Horse (163 U. S., 511), Mr. Justice White, in delivering the opinion of the court, says:

"That 'a treaty may supersede a prior act of Congress and an act of Congress supersede a prior treaty,' is elementary." (Fong Yue Ting *v.* United States, 149 U. S., 698; The Cherokee Tobacco, 11 Wall., 616.)

In the cases of Thomas *v.* Gay and Gay *v.* Thomas (169 U. S., p. 271) Mr. Justice Shiras, delivering the opinion of the court, says:

"It is well settled that an act of Congress may supersede a prior treaty and that any questions that may arise are beyond the sphere of judicial cognizance and must be met by the political department of the Government.

"'It need hardly be said that a treaty can not change the Constitution or be held valid if it be in violation of that instrument. This results from the nature and fundamental principles of our Government. The effect of treaties and acts of Congress when in conflict is not settled by the Constitution. But the question is not involved in any doubt as to its proper solution. A treaty may supersede a prior act of Congress, and an act of Congress may supersede a prior treaty. (Foster *v.* Neilson, 2 Pet., 253, 314; Taylor *v.* Morton, 2 Curtis, 454.)

"'In the cases referred to these principles were applied to treaties with foreign nations. Treaties within Indian nations within the jurisdiction of the United States, whatever considerations of humanity and good faith may be involved and require their faithful observance, can not be more obligatory. * * * In the case under consideration the act of Congress must prevail as if the treaty were not an element to be considered.' (The Cherokee Tobacco, 11 Wall., 616.)

"The President and two-thirds of the Senate assenting may make a valid treaty, and it becomes the supreme law of the land, always provided that it is within the limit of the Constitution, but, although the supreme law of the land, it is subject to be abrogated by an act of Congress directly or by the enactment of a statute utterly inconsistent with the treaty. (Note from Story.)

"Although a treaty is the supreme law of the land, it is as much subject to repeal as any legislative act, and a subsequent act of Congress conflicting with it has the effect to repeal it pro tanto. (Taylor *v.* Martin, 2 Curtis C. C., 454; Ropes *v.* Clinch, 8 Blatchford, 304; Gray *v.* Clinton Bridge Co., 1 Woolworth, 150; United States *v.* Tobacco Factory, 11 Wall., 264.)

"A treaty expires with the death of the king who made it. (Vattell, pp. 203 to 216.)

In the Chinese Exclusion case (130 U. S., 589) Justice Field, delivering the opinion of the court, says:

"The validity of the act is assailed as being in effect an expulsion from the country of Chinese laborers, in violation of existing treaties between the United States and the Government of China, and of rights vested in them under the laws of Congress."

* * * * * * *

On page 600 the court says:

"Here the objection made is that the act of 1888 impairs a right vested under the treaty of 1880, as a law of the United States and the statutes of 1882 and of 1884 passed in execution of it. It must be conceded that the act of 1888 is in contravention of express stipulations of the treaty of 1868 and of the supplemental treaty of 1880, but it is not on that account invalid or to be restricted in its enforcement. The treaties were of no greater obligation that the act of Congress. By the Constitution, laws made in pursuance thereof and treaties made under the authority of the United States are both declared to be the supreme law of the land, and no paramount authority is given to one over the other. A treaty, it is true, is in its nature a contract between nations and is often merely promissory in its character, requiring legislation to carry its stipulations into effect. Such legislation will be open to future repeal or amendment. If the treaty operates by its own force and relates to a subject within the power of Congress, it can be deemed in that particular only the equivalent of a legislative act, to be repealed or modified at the pleasure of Congress. In either case the last expression of the sovereign will must control."

In the case of J. Ribas y Hijo *v.* United States (vol. 194, p. 324) the court (by Justice Harlan) says:

"We may add that even if the act of March, 1887, standing alone, could be construed as authorizing a suit of this kind, the plaintiff must fail; for, it is well settled that in case of a conflict between an act of Congress and a treaty—each being equally the supreme law of the land—the one last in date must prevail in the courts." (The Cherokee Tobacco, 11 Wall., 616, 621; Whitney *v.* Robertson, 124, U. S., 190, 194; United States *v.* Lee Yen Tai, 185 U. S., 213, 221.)

In the case of Grin *v.* Shine (vol. 187, p. 191) Justice Brown, delivering the opinion of the court, says:

"But there is another consideration in this connection which should not be overlooked. While the treaty contemplates the production of a copy of a warrant of arrest or other equivalent document, issued by a magistrate of the Russian Empire, it is within the power of Congress to dispense with this requirement, and we think it has done so by Revised Statutes, section 5270, hereinbefore cited. The treaty is undoubtedly obligatory upon both powers, and, if Congress should prescribe additional formalities than those required by the treaty, it might become the subject of complaint by the Russian Government and of further negotiations. *But, notwithstanding such treaty, Congress has a perfect right to provide for the extradition of criminals in its own way, with or without a treaty to that effect, and to declare that foreign criminals shall be surrendered upon such proofs of criminality as it may judge sufficient.*" (Castro *v.* De Uriarte, 16 Fed. Rep., 93.)

(Quotations from court's opinion in Castro *v.* De Uriarte cited above. 16 Fed. Rep., 97.)

"Treaties duly ratified under the Constitution (Article VI) are doubtless a part of the supreme law of the land, and their stipulations and obligations will not be deemed annulled by acts of mere general legislation which can be reasonably construed otherwise. (The Cherokee Tobacco, 11 Wall., 616, 623; Taylor *v.* Morton, 2 Curt., 454; Ropes *v.* Clinch, 8 Blatchf., 304, 309.)

"But the mere fact that a treaty provides a mode of carrying out its provisions in the absence of legislation can not make it incompetent for Congress to pass laws in aid of the treaty, and, in order to facilitate the extradition of criminals, to dispense with a part of those preliminaries which otherwise it might be necessary for the foreign government to resort to."

In the case of the Cherokee Tobacco (11 Wallace, 616) Mr. Justice Swayne, delivering the opinion of the court, said:

"But conceding these views to be correct, it is insisted that the section can not apply to the Cherokee Nation because it is in conflict with the treaty. Undoubtedly one or the other must yield. The repugnancy is clear and they can not stand together.

"The second section of the fourth article of the Constitution of the United States declares that 'this Constitution and the laws of the United States which shall be made in pursuance thereof, and all treaties which shall be made under the authority of the United States, shall be the supreme law of the land.'

"It need hardly be said that a treaty can not change the Constitution or be held valid if it be in violation of that instrument. This results from the nature and fundamental principles of our Government. The effect of treaties and acts of Congress, when in conflict, is not settled by the Constitution. But the question is not involved in any doubt as to its proper solution. A treaty may supersede a prior act of Congress (Foster & Elam *v.* Neilson, 2 Peters, 314) and an act of Congress may supersede a prior treaty (Taylor *v.* Morton, 2 Curtis, 454; The Clinton Bridge, 1 Wolworth, 155). In the cases referred to these principles were applied to treaties with foreign nations. Treaties with Indian nations within the jurisdiction of the United States, whatever considerations of humanity and good faith may be involved and require their faithful observance, can not be more obligatory, etc."

United States Statutes at Large, volume 1, page 578. Chapter LXVII.

An act to declare the treaties heretofore concluded with France, no longer obligatory on the United States.

Whereas the treaties concluded between the United States and France have been repeatedly violated on the part of the French Government; and the just claims of the United States for reparation of the injuries so committed have been refused, and their attempts to negotiate an amicable adjustment of all complaints between the two nations have been repelled with indignity; and

Whereas, under authority of the French Government, there is yet pursued against the United States a system of predatory violence, infracting the said treaties and hostile to the rights of a free and independent nation:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States are of right freed and exonerated from the stipulations of the treaties and of the consular convention heretofore concluded between the United States and France, and that the same shall not henceforth be regarded as legally obligatory on the Government or citizens of the United States.

Approved, July 7, 1798.

In the case of Taylor *v.* Morton, reported in Curtis's Circuit Court Reports, volume 2, pages 454 to 464, Mr. Justice Curtis, delivering the opinion of the court, said:

"* * * Several questions involved in this position require examination. One of them, when stated abstractly, is this: If an act of Congress should levy a duty upon imports, which an existing commercial treaty declares shall not be levied, so that the treaty is in conflict with the act, does the former or the latter give the rule of decision in a judicial tribunal of the United States in a case to which one rule or the other must be applied.

"The second section of the Fourth Article of the Constitution is, 'This Constitution, and the laws of the United States which shall be made in pursuance thereof, and all treaties made or which shall be made, under the authority of the United States, shall be the supreme law of the land.' There is nothing in the language of this clause which enables us to say that in the case supposed the treaty and not the act of Congress is to afford the rule. Ordinarily treaties are not rules prescribed by sovereigns for the conduct of their subjects, but contracts by which they agree to regulate their own conduct. This provision of our Constitution has made treaties part of our municipal law. But it has not assigned to them any particular degree of authority in our municipal law, nor declared whether laws so enacted shall or shall not be paramount to laws otherwise enacted. No such declaration is made, even in respect to the Constitution itself. It is named in conjunction with treaties and acts of Congress as one of the supreme laws, but no supremacy is in terms assigned to one over the other. And when it became necessary to determine whether an act of Congress repugnant to the Constitution could be deemed by the judicial power an operative law the solution of the question was found by considering the nature and objects of each species of law, the authority from which emanated and the consequences of allowing or denying the paramount effect of the Constitution. It is only by a similar course of inquiry that we can determine the question now under consideration.

"In commencing this inquiry I think it material to observe that it is solely a question of municipal as distinguished from public law. The foreign sovereign between whom and the United States a treaty has been made has a right to expect and require its stipulations to be kept with scrupulous good faith; but through what internal arrangements this shall be done is, exclusively, for the consideration of the United States. Whether the treaty shall itself be the rule of action of the people as well as the Government, whether the power to enforce and apply it shall reside in one department or another, neither the treaty itself nor any implication drawn from it gives him any right to inquire. If the people of the United States were to repeal so much of their Constitution as makes treaties part of their municipal law, no foreign sovereign with whom a treaty exists could justly complain, for it is not a matter with which he has any concern. * * *

"* * * That the act now in question is within the legislative power of Congress, unless that power is controlled by the treaty, is not doubted. It must be admitted, also, that in general power to legislate on a particular subject includes power to modify and repeal existing laws on that subject, and either substitute new laws in their place or leave the subject without regulation in those particulars to which the repealed laws applied. There is therefore nothing in the mere fact that a treaty is a law which would prevent Congress from repealing it. Unless it is for some reason distinguishable from other laws, the rule which it gives may be displaced by the legislative power at its pleasure. The first and most obvious distinction between a treaty and an act of Congress is that the former is made by the President and ratified by two-thirds of the Senators present; the latter by majorities of both Houses of Congress and the President, or by the Houses only, by constitutional majorities, if the President refuses his assent. Ordinarily it is certainly true that the powers of enacting and repealing laws reside in the same persons. But there is no reason, in the nature of things, why it may not be otherwise. In the country from which we have derived many political principles, the King, by force of his prerogative, makes laws for the colonies, which Parliament repeals or modifies at its discretion." (Campbell *v.* Cowp., 204.)

"I think it is impossible to maintain that, under our Constitution, the President and Senate exclusively possess the power to modify or repeal a law found in a treaty. If this were so, inasmuch as they can change and abrogate one treaty only by making another inconsistent with the first, the Government of the United States could not act at all to that effect without the consent of some foreign government; for no new treaty, affecting in any manner one already in existence, can be made without the concurrence of two parties, one of whom must be a foreign sovereign. That the Constitution was designed to place our country in this helpless condition is a supposition wholly inadmissible. It is not only inconsistent with the necessities of a nation, but negatived by the express words of the Constitution that gives to Congress, in so many words, power to declare war, an act which ipso jure repeals all provisions of all existing treaties with the hostile nation inconsistent with a state of war.

"It is true this particular power to repeal laws found in treaties is expressly given, and is applicable only to a case of war; but, in the first place, it is sufficient to prove the position stated above, that there is nothing in the nature of things which requires that the same persons who make the law by a treaty should alone have power to repeal it. In the next place, it is also true that the powers to regulate commerce and to levy duties are as expressly given as the power to declare war, and the former are as absolute and unrestrained as the latter.

"It may be said that a declaration of war, being necessarily inconsistent with existing treaties with the hostile nation, the power to declare it is necessarily a power to repeal such treaties; but that power to regulate commerce and impose duties might be and was expected to be exercised in conformity with existing treaties. To a certain extent this may be admitted. But it can not be admitted that these powers can be or were expected to be exerted under all circumstances which might possibly occur in the life of a nation in subordination to an existing treaty, nor that the only modes of escape from the effect of an existing treaty were the consent of the other party to it or a declaration of war.

"To refuse to execute a treaty for reasons which approve themselves to the conscientious judgment of the nation is a matter of the utmost gravity and delicacy, but the power to do so is prerogative of which no nation can be deprived without deeply affecting its independence. That the people of the United States have deprived their Government of this power in any case I do not believe. That it must reside somewhere and be applicable to all cases I am convinced. I feel no doubt that it belongs to Congress. That inasmuch as treaties must continue to operate as part of our municipal law and be obeyed by the people, applied by the judiciary and executed by the President while they continue unrepealed, and inasmuch as the power of repealing these municipal laws must reside somewhere, and nobody other than Congress possesses it, then legislative power is applicable to such laws whenever they relate to subjects which the Constitution has placed under that legislative power. In conformity with these views was the action of Congress in passing the act of July 7, 1798 (1 Stat. L., 578), declaring the treaties with France no longer obligatory on the United States.

* * * * * * *

"Is it a judicial question whether a treaty with a foreign sovereign has been violated by him; whether the consideration of a particular stipulation in a treaty has been voluntarily withdrawn by one party so that it is no longer obligatory on the other; whether the views and acts of a foreign sovereign manifested through his representative have given just occasion to the political departments of our Government to withhold the execution of a promise contained in a treaty or to the act in direct contravention of such promise? I apprehend not. These powers have not been confided by the people to the judiciary, which has no suitable means to exercise them, but to the executive and the legislative departments of our Government. They belong to diplomacy and legislation and not to the administration of existing laws. And it necessarily follows that if they are denied to Congress and the Executive in the exercise of their legislative power, they can be found nowhere in our system of government. On the other hand, if it be admitted that Congress has these powers, it is wholly immaterial to inquire whether they have, by the act in question, departed from the treaty or not, or if they have, whether such departure were accidental or designed, and if the latter, whether the reasons therefor were good or bad. If by the act in question they have not departed from the treaty, the plaintiff has no case. If they have, their act is the municipal law of the country, and any complaint, either by the citizen or the foreigner, must be made to those who alone are empowered by the Constitution to judge of its grounds and act as may be suitable and just."

On page 463, the court, continuing, said:

"Mr. Chief Justice Marshall, delivering the opinion of the court, said (Foster *v.* Neilson, 2 Pet., 314):

"'Our Constitution declares a treaty to be a law of the land. It is consequently to be regarded in courts of justice as equivalent to an act of the legislature, whenever it operates of itself, without the aid of any legislative provision. But when the terms of the stipulation *import a contract*, when either of the parties engages to perform a particular act, the treaty addresses itself to *the political, not the judicial department*, and the legislature must execute the contract before it can become a rule for the court.'

"After commenting on the language of the article, he proceeds:

"'This seems to be the language of contracts; and if it is, the ratification and confirmation which are promised must be the act of the legislature. Until such act shall be passed, the court is not at liberty to disregard the existing laws on the subject.'

"I desire to add, what perhaps is not necessary, that the various suppositions of violation or departure from treaties by foreign sovereigns, or by our country, which are put by way of argument in the course of this opinion, have no reference whatever to the treaty now in question, or to any actual case; that I have not formed, or intended to intimate, any opinion upon the question whether the duty levied upon hemp, the product of Russia, is or is not higher than a just interpretation and application of the treaty with the sovereign of that country would allow; as, in my judgment, it belongs to the political department of the Government of the United States to determine this question."

NEW YORK CASE.

In the case of State of New York *v.* Dibble, reported in 21 Howard, 366–371, in which Justice Grier delivered the opinion of the court, the syllabus is as follows:

"A statute of the State of New York, making it unlawful for any persons other than Indians to settle or reside upon any lands belonging to or occupied by any nation or tribe of Indians within that State, and providing for the summary ejectment of such persons, is not in conflict with the Constitution of the United States, or any treaty, or act of Congress, and the proceedings under it did not deprive the persons thus removed of property or rights secured to them by any treaty or act of Congress."

In the opinion of the court, delivered by Justice Grier, page 370, the court said:

"The only question which this court can be called on to decide is, whether this law is in conflict with the Constitution of the United States, or any treaty or act of Congress, and whether this proceeding under it has deprived the relators of property or rights secured to them by any treaty or act of Congress.

"The statute in question is a police regulation for the protection of the Indians from intrusion of the white people and to preserve the peace. It is the dictate of a prudent and just policy. Notwithstanding the peculiar relation which these Indian nations hold to the Government of the United States, the State of New York had the power of a sovereign over their persons and property, so far as it was necessary to preserve the peace of the Commonwealth and protect these feeble and helpless bands from imposition and intrusion. The power of a State to make such regulations to preserve the peace of the community is absolute and has never been surrendered. The act is, therefore, not contrary to the Constitution of the United States.

"Nor is this statute in conflict with any act of Congress, as no law of Congress can be found which authorizes white men to intrude on the possessions of Indians."

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After one hour and twenty-five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 19, 1908, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate May 18, 1908.

PENSION AGENT.

Andrew T. Wood, of Kentucky, to be pension agent at Louisville, Ky., his term having expired February 10, 1908. (Reappointment.)

PROMOTIONS IN THE ARMY.

Medical Corps.

Maj. Henry P. Birmingham, Medical Corps, to be lieutenant-colonel from May 1, 1908, vice Powell, retired from active service.

Capt. Albert E. Truby, Medical Corps, to be major from May 1, 1908, vice Birmingham, promoted.

Maj. W. Fitzhugh Carter, Medical Corps, to be lieutenant-colonel from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Maj. Rudolph G. Ebert, Medical Corps, to be lieutenant-colonel from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Maj. Robert J. Gibson, Medical Corps, to be lieutenant-colonel from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Maj. William H. Arthur, Medical Corps, to be lieutenant-colonel from April 23, 1908, subject to the examination required by law, vice Torney, promoted.

Maj. George E. Bushnell, Medical Corps, to be lieutenant-colonel from April 23, 1908, subject to the examination required by law, vice Crampton, promoted.

Capt. Henry Page, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Capt. Bailey K. Ashford, Medical Corps, to be major from April 23, 1908, to fill an original vacancy.

Capt. Henry A. Webber, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Capt. Jere B. Clayton, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, to fill an original vacancy.

Capt. Weston P. Chamberlain, Medical Corps, to be major from April 23, 1908, to fill an original vacancy.

Capt. Edward R. Shreiner, Medical Corps, to be major from April 23, 1908, to fill an orginal vacancy.

Capt. Ira A. Shimer, Medical Corps, to be major from April 23, 1908, vice Carter, promoted.

Capt. Frederick M. Hartsock, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, vice Ebert, promoted.

Capt. Douglas F. Duval, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, vice Gibson, promoted.

Capt. Clarence J. Manly, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, vice Arthur, promoted.

Capt. David Baker, Medical Corps, to be major from April 23, 1908, subject to the examination required by law, vice Bushnell, promoted.

To be captains after three years' service:

First Lieut. William A. Duncan, Medical Corps.
First Lieut. Earl H. Bruns, Medical Corps.
First Lieut. Herbert C. Gibner, Medical Corps.
First Lieut. Clarence Le R. Cole, Medical Corps.

Corps of Engineers.

Capt. George P. Howell, Corps of Engineers, to be major from May 8, 1908, vice Zinn, promoted.

First Lieut. Ernest D. Peek, Corps of Engineers, to be captain from May 8, 1908, vice Howell, promoted.

PROMOTIONS IN THE NAVY.

Maj. Asst. Q. M. Charles L. McCawley to be assistant quartermaster in the United States Marine Corps with the rank of lieutenant-colonel from the 13th day of May, 1908, to fill a vacancy existing in that grade on that date.

The following-named gunners to be chief gunners in the Navy, to rank with, but after, ensign, from the 11th day of March, 1908, upon the completion of six years' service in their present grade:

Charles F. Ulrich,
David B. Vassie, and
William H. Walker.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 18, 1908.

UNITED STATES ATTORNEY.

James J. Crossley, of Iowa, to be United States attorney for the third division of the district of Alaska.

DISTRICT JUDGE.

Edward T. Sanford, of Tennessee, to be United States district judge for the eastern and middle districts of Tennessee.

SOLICITOR OF INTERNAL REVENUE.

Fletcher Maddox, of Montana, to be solicitor of internal revenue.

POSTMASTERS.

NEW YORK.

Seth Allen to be postmaster at Dannemora, Clinton County, N. Y.

William C. Collins to be postmaster at Homer, Cortland County, N. Y.

OHIO.

Samuel Bailey to be postmaster at Beverly, Washington County, Ohio.

Clayton H. Bishop to be postmaster at Centerburg, Knox County, Ohio.

Chandler W. Carroll to be postmaster at St. Clairsville, Belmont County, Ohio.

William McC. Crozier to be postmaster at Cumberland, Guernsey County, Ohio.

John C. Douglass to be postmaster at College Corner, Butler County, Ohio.

William W. Dowdell to be postmaster at Quaker City, Guernsey County, Ohio.

George E. Flora to be postmaster at Mount Healthy, Hamilton County, Ohio.

William P. Gillam to be postmaster at Nevada, Wyandot County, Ohio.

Elmer L. Godwin to be postmaster at West Mansfield, in the county of Logan and State of Ohio.

Pearl W. Hickman to be postmaster at Nelsonville, Athens County, Ohio.

Charles H. Huffman to be postmaster at Richwood, in the county of Union and State of Ohio.

William C. Hughes to be postmaster at New Straitsville, Perry County, Ohio.

Charles A. McKim to be postmaster at Celina, Mercer County, Ohio.

Thomas G. Moore to be postmaster at Barnesville, Belmont County, Ohio.

Lewis Nikolaus to be postmaster at New Matamoras, Washington County, Ohio.

Clifford N. Quirk to be postmaster at Chardon, in the county of Geauga and State of Ohio.

Robert H. Wiley to be postmaster at Flushing, Belmont County, Ohio.

Henry B. Wisner to be postmaster at Berea, Cuyahoga County, Ohio.

WISCONSIN.

George E. Bogrand to be postmaster at Wausaukee, Marinette County, Wis.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 18, 1908.*

[*Continuation of the legislative day of Tuesday, May 12, 1908.*]

The recess having expired, at 11 o'clock and 30 minutes a. m. the House was called to order by the Speaker.

QUESTION OF PRIVILEGE.

Mr. LITTLEFIELD. Mr. Speaker, I rise to a question of privilege.

The SPEAKER. The gentleman will state it.

Mr. LITTLEFIELD. On Saturday evening last I had occasion to make an address before the Young Men's Republican Club at the Union League Club House in Brooklyn. When I returned to the city my attention was called to a report in the newspapers in which I am charged with making what seemed to me a very uncalled for and unjustifiable criticism upon the Members of the House. I do not go so far as to say that the gentleman making the report deliberately misrepresented the address which I made, because I discussed the subject, and he may have received an impression that I did not intend to give, but the language, in my opinion, as reported, was and is a misrepresentation of the address, and under the circumstances I feel that I ought to at least put my understanding of the matter on record, and in order to do that I will read what I have prepared as a statement to be used by the newspapers in relation thereto:

"My attention has just been called to the report of the address that I delivered at Brooklyn last Saturday evening, in which I am reported as having made an unjustifiable assault upon Congress. The speech was entirely extemporaneous, and I am unable to see how it could have been so misunderstood.

"In alluding to some references which had been made to political corruption, I said that during an experience of nine years as a Member I had seen no sign or indication of political corruption on the part of any Member; that, in my judgment, the membership represented the flower of the communities from which they came. I referred to the fact that a Member hardly began to serve in the term for which he was elected before he was practically involved in a contest for his reelection, and that the action of Members was necessarily largely affected by considerations involved in their reelection. I used this situation for the purpose of emphasizing the necessity for standing by Representatives and protecting them from the attacks of those who were demanding with threats improper legislation. It was an incident and by no means the main topic of the address.

"In illustrating the point I did use the remark said to have been made by Mr. CANNON. It was received, as I understood it, in the spirit in which it was originally made, and as I intended it—as a piece of jocose hyperbole—and it was not intended by me, nor was anything else that I said intended, as a reflection upon the Members of either branch, and until I saw the report it never entered my mind that anyone would so understand or construe it.

"I have had frequent occasion, but have seldom taken occasion, to correct newspaper reports. I feel justified in doing so in this instance because of the high regard that I entertain for the membership of both branches and the uniformly kind, considerate, and appreciative treatment that I have received at their hands." [Loud applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. CROCKETT, its reading clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4825. An act for acquiring national forests in the Southern Appalachian Mountains and White Mountains.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 4825. An act for acquiring national forests in the Southern Appalachian Mountains and White Mountains—to the Committee on Agriculture.

JENNIE CARROLL AND MABEL H. LAZEAR.

Mr. DALZELL. Mr. Speaker, I ask unanimous consent for the present consideration of the bill which I send to the Clerk's desk.

The Clerk read as follows:

A bill (H. R. 21884) granting an annuity to Jennie Carroll and to Mabel H. Lazear.

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to place on the rolls of the War Department—

The name of Jennie Carroll, widow of James Carroll, major and surgeon, United States Army, and pay her for and during the time of her natural life, in lieu of all pensions, the sum of $125 per month, in special recognition of the eminent services of said James Carroll in discovering the means of preventing, as well as the cause and method of transmission and propagation of, yellow fever, and demonstrating on his own person the truth of the theory of the transmission and propagation of yellow fever infection by mosquitoes, and

The name of Mabel H. Lazear, widow of Dr. Jesse W. Lazear, late acting assistant contract surgeon, United States Army, and pay her for and during the time of her natural life, in lieu of all pensions, the sum $125 per month, in special recognition of the eminent services of said Jesse W. Lazear in discovering the means of preventing, as well as the cause and method of transmission and propagation of, yellow fever, and demonstrating on his own person the truth of the theory of the transmission and propagation of yellow fever infection by mosquitoes, and the sacrifice of his life in proving the same.

The SPEAKER. Is there objection?

Mr. CLARK of Missouri. Mr. Speaker, is this a motion to suspend the rules?

Mr. DALZELL. I ask unanimous consent for the consideration of the bill, and I will ask the gentleman to withhold——

Mr. CLARK of Missouri. I want to ask you a question; I am not going to object. What was the rank of those men?

Mr. DALZELL. Carroll was a major and Lazear was a contract surgeon. Let me say, Carroll was of the same rank as Major Reed, for whose widow we have already provided. At the beginning of the Cuban war a commission was appointed, composed of three members, Major Reed, Major Carroll, and Dr. Lazear, to seek discovery of the causes of yellow fever. They did discover the cause of yellow fever, but they all perished in consequence of the exposure they submitted themselves to in making the discovery. Major Reed died some time after the experiment, and Congress passed a bill giving his widow $125 a month pension. Major Carroll survived the experiment. They all submitted themselves to be bitten by mosquitoes. Major Carroll lived for some considerable time after, but finally died of the poison in his system as a consequence of the experiment. Doctor Lazear died at the time the experiment was made.

Mr. KEIFER. Died of yellow fever.

Mr. DALZELL. He died of yellow fever. Every medical society of the United States and every chamber of commerce has come down here appealing that we put these two widows upon the same basis that we put Mrs. Reed, upon the ground, as far as the medical societies are concerned, of the great contribution to science that these men rendered, and upon the ground, so far as commercial bodies are concerned, of the immense amounts of money saved in our Southern cities and elsewhere by the removal of the yellow-fever scourge——

Mr. CLARK of Missouri. I am not objecting, and I am not going to call the roll on it, either. [Loud applause.]

The SPEAKER. The Chair hears no objection.

The bill was ordered to be engrossed for a third reading, and, being engrossed, it was accordingly read the third time and passed.

GRANTING ADDITIONAL LANDS TO IDAHO UNDER THE CAREY ACT.

The SPEAKER. The question is on suspending the rules, agreeing to the amendment, and passing the joint resolution of which the Clerk will report the title.

The Clerk read as follows:

Senate joint resolution No. 51, providing for additional lands for Idaho under the provisions of the Carey Act.

The yeas and nays were ordered.

The question was taken, and there were—yeas 197, nays 26, answered "present" 16, not voting 148, as follows:

YEAS—197.

Acheson	Diekema	Hinshaw	Olmsted
Adair	Dixon	Houston	Padgett
Aiken	Douglas	Howell, N. J.	Parker, N. J.
Alexander, Mo.	Draper	Howland	Parsons
Alexander, N. Y.	Driscoll	Hubbard, W. Va.	Patterson
Allen	Durey	Hull, Iowa	Payne
Ames	Dwight	Humphrey, Wash.	Perkins
Ashbrook	Ellerbe	James, Addison D.	Porter
Barchfeld	Ellis, Oreg.	Jenkins	Pray
Barclay	Englebright	Johnson, S. C.	Prince
Bartholdt	Esch	Jones, Wash.	Rainey
Bartlett, Nev.	Fairchild	Kahn	Rauch
Bates	Fassett	Keifer	Reeder
Beale, Pa.	Favrot	Kelliher	Richardson
Bede	Ferris	Kennedy, Iowa	Robinson
Bell, Ga.	Finley	Kennedy, Ohio	Rodenberg
Bennet, N. Y.	Floyd	Kimball	Rothermel
Bennett, Ky.	Focht	Knapp	Russell, Mo.
Bonynge	Foster, Ill.	Knopf	Russell, Tex.
Boyd	Foster, Ind.	Lafean	Ryan
Brantley	Foster, Vt.	Landis	Sabath
Brodhead	French	Langley	Shackleford
Brownlow	Fuller	Laning	Sherley
Brundidge	Fulton	Law	Sherwood
Burgess	Gaines, Tenn.	Lawrence	Slemp
Burke	Gardner, N. J.	Legare	Smith, Cal.
Burleigh	Garner	Lindbergh	Smith, Mo.
Burnett	Gilhams	Littlefield	Sparkman
Burton, Del.	Gillespie	Lloyd	Sperry
Campbell	Gillett	Longworth	Steenerson
Capron	Godwin	Loudenslager	Stephens, Tex.
Carter	Gordon	Lovering	Sterling
Cary	Goulden	McDermott	Stevens, Minn.
Caulfield	Graff	McGavin	Sulloway
Chaney	Granger	McGuire	Sulzer
Chapman	Greene	McKinlay, Cal.	Taylor, Ohio
Clark, Mo.	Hackney	McKinney	Tirrell
Cockran	Hale	Macon	Tou Velle
Cooper, Pa.	Hall	Madison	Townsend
Cox, Ind.	Hamilton, Iowa	Moore, Pa.	Underwood
Craig	Hamilton, Mich.	Moore, Tex.	Volstead
Crumpacker	Hamlin	Morse	Waldo
Currier	Hardwick	Murdock	Washburn
Cushman	Hawley	Murphy	Webb
Dalzell	Hay	Needham	Weeks
Darragh	Hayes	Nelson	Wood
Davenport	Heflin	Nicholls	Woodyard
Davis, Minn.	Henry, Conn.	Norris	
Dawson	Henry, Tex.	O'Connell	
Denver	Higgins	Olcott	

NAYS—26.

Beall, Tex.	Hepburn	Kitchin, Claude	Randell, Tex.
Booher	Hill, Miss.	Leake	Rhinock
Bowers	Hughes, N. J.	Lee	Rucker
Candler	Hull, Tenn.	McLain	Spight
Garrett	James, Ollie M.	Moon, Tenn.	Taylor, Ala.
Harrison	Johnson, Ky.	Overstreet	
Helm	Jones, Va.	Page	

ANSWERED "PRESENT"—16.

Adamson	Flood	McMorran	Slayden
Boutell	Goldfogle	Roberts	Small
Butler	Hardy	Sherman	Talbott
Cooper, Wis.	Lassiter	Sims	Watkins

NOT VOTING—148.

Andrus	Ellis, Mo.	Kitchin, Wm. W.	Pou
Ansberry	Fitzgerald	Knowland	Powers
Anthony	Fordney	Küstermann	Pratt
Bannon	Fornes	Lamar, Fla.	Pujo
Bartlett, Ga.	Foss	Lamar, Mo.	Ransdell, La.
Bingham	Foulkrod	Lamb	Reid
Birdsall	Fowler	Lenahan	Reynolds
Bradley	Gaines, W. Va.	Lever	Riordan
Broussard	Gardner, Mass.	Lewis	Saunders
Brumm	Gardner, Mich.	Lilley	Scott
Burleson	Gill	Lindsay	Sheppard
Burton, Ohio	Glass	Livingston	Smith, Iowa
Byrd	Goebel	Lorimer	Smith, Mich.
Calder	Graham	Loud	Smith, Tex.
Calderhead	Gregg	Lowden	Snapp
Caldwell	Griggs	McCall	Southwick
Carlin	Gronna	McCreary	Stafford
Clark, Fla.	Hackett	McHenry	Stanley
Clayton	Haggott	McKinley, Ill.	Sturgiss
Cocks, N. Y.	Hamill	McLachlan, Cal.	Tawney
Cole	Hammond	McLaughlin, Mich.	Thistlewood
Conner	Harding	McMillan	Thomas, N. C.
Cook, Colo.	Haskins	Madden	Thomas, Ohio
Cook, Pa.	Haugen	Malby	Vreeland
Cooper, Tex.	Hill, Conn.	Mann	Wallace
Coudrey	Hitchcock	Marshall	Wanger
Cousins	Hobson	Maynard	Watson
Cravens	Holliday	Miller	Weems
Crawford	Howard	Mondell	Weisse
Davey, La.	Howell, Utah	Moon, Pa.	Wheeler
Davidson	Hubbard, Iowa	Mouser	Wiley
Dawes	Huff	Mudd	Willett
De Armond	Hughes, W. Va.	Nye	Williams
Denby	Humphreys, Miss.	Parker, S. Dak.	Wilson, Ill.
Dunwell	Jackson	Pearre	Wilson, Pa.
Edwards, Ga.	Kinkaid	Peters	Wolf
Edwards, Ky.	Kipp	Pollard	Young

So the rules were suspended and the bill passed.

The Clerk announced the following pairs:
For the remainder of this session:
Mr. SHERMAN with Mr. RIORDAN.
Mr. BUTLER with Mr. BARTLETT of Georgia.
Mr. COUSINS with Mr. FLOOD.
Mr. WATSON with Mr. SHEPPARD.
Mr. WANGER with Mr. ADAMSON.
Mr. MCMORRAN with Mr. PUJO.
Until further notice:
Mr. SCOTT with Mr. WALLACE.
Mr. SMITH of Iowa with Mr. WILLIAMS.
Mr. PEARRE with Mr. THOMAS of North Carolina.
Mr. MOON of Pennsylvania with Mr. STANLEY.
Mr. MILLER with Mr. SMITH of Texas.
Mr. MARSHALL with Mr. SMALL.
Mr. MALBY with Mr. SAUNDERS.
Mr. MADDEN with Mr. REID.
Mr. MCMILLAN with Mr. RANSDELL of Louisiana.
Mr. MCLAUGHLIN of Michigan with Mr. POU.
Mr. MCLACHLAN of California with Mr. MAYNARD.
Mr. MCKINLEY of Illinois with Mr. MCHENRY.
Mr. LOWDEN with Mr. LINDSAY.
Mr. LOUD with Mr. LEWIS.
Mr. HUGHES of West Virginia with Mr. LEVER.
Mr. HUFF with Mr. LENAHAN.
Mr. HUBBARD of Iowa with Mr. LASSITER.
Mr. HOLLIDAY with Mr. LAMB.
Mr. LORIMER with Mr. HUMPHREYS of Mississippi.
Mr. HILL of Connecticut with Mr. LAMAR of Florida.
Mr. HAUGEN with Mr. HOWARD.
Mr. HASKINS with Mr. HITCHCOCK.
Mr. GRAHAM with Mr. HENRY of Texas.
Mr. GOEBEL with Mr. HARDY.
Mr. GARDNER of Michigan with Mr. HAMMOND.
Mr. FOULKROD with Mr. HAMILL.
Mr. FOSS with Mr. HACKETT.
Mr. FORDNEY with Mr. GREGG.
Mr. ELLIS of Missouri with Mr. GOLDFOGLE.
Mr. DUNWELL with Mr. GLASS.
Mr. DENBY with Mr. GILL.
Mr. DAVIDSON with Mr. FITZGERALD.
Mr. COUDREY with Mr. DE ARMOND.
Mr. COOK of Pennsylvania with Mr. DAVEY of Louisiana.
Mr. COOK of Colorado with Mr. CRAWFORD.
Mr. MCCALL with Mr. CRAVENS.
Mr. COCKS of New York with Mr. COOPER of Texas.
Mr. CALDERHEAD with Mr. CARTER.
Mr. BURTON of Ohio with Mr. CARLIN.
Mr. BRUMM with Mr. CALDWELL.
Mr. ANTHONY with Mr. BURLESON.
Mr. ANDRUS with Mr. ANSBERRY.
Mr. YOUNG with Mr. WOLF.
Mr. VREELAND with Mr. WILSON of Pennsylvania.
Mr. TAWNEY with Mr. CLAYTON.
Mr. SOUTHWICK with Mr. WILLETT.
Mr. SNAPP with Mr. WILEY.
Mr. SMITH of Michigan with Mr. WEISSE.
Mr. CALDER with Mr. CLARK of Florida.
Mr. MANN with Mr. SIMS.
Mr. REYNOLDS with Mr. WATKINS.
Mr. BRADLEY with Mr. FORNES.
Mr. GRONNA with Mr. KIPP.
Mr. SHERMAN with Mr. RIORDAN.
Mr. MUDD with Mr. TALBOTT.
Mr. POWERS with Mr. PRATT.
Mr. HAGGOTT with Mr. WILLIAM W. KITCHIN.
Mr. BINGHAM with Mr. LIVINGSTON.
Mr. HARDING with Mr. PETERS.
Mr. THOMAS of Ohio with Mr. HOBSON.
Mr. ROBERTS with Mr. BROUSSARD.
Mr. MCCREARY with Mr. EDWARDS of Georgia.
Mr. BOUTELL with Mr. GRIGGS.
Mr. BIRDSALL with Mr. LAMAR of Missouri.
Mr. BANNON with Mr. BYRD.

Mr. MCMORRAN. Mr. Speaker, I voted "aye," but I am paired with the gentleman from Louisiana [Mr. PUJO], and I therefore withdraw my vote.

The Clerk called the name of Mr. MCMORRAN, and he answered "present," as above recorded.

Mr. HASKINS. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. HASKINS. I wish to be recorded.

The SPEAKER. Was the gentleman present and listening when his name should have been called and failed to hear it?

Mr. HASKINS. No, sir; I just came into the Chamber.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. HASKINS. I thought it was a call of the House.

Mr. MCHENRY. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. MCHENRY. I wish to be recorded.

The SPEAKER. Was the gentleman present and in his seat when his name should have been called and failed to hear it?

Mr. MCHENRY. I was not.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was then announced as above recorded.

RELIEF ON ACCOUNT OF FIRE IN CHELSEA, MASS.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent for the present consideration and passage of the bill (H. R. 21927) to reimburse certain Departments of the Government for expenses incurred incident to the recent fire in Chelsea, Mass., and for other purposes.

The Clerk read the bill, as follows.

Be it enacted, etc., That the accounting officers of the Treasury are hereby authorized and directed to allow in the accounts of the pay director at the naval station at Boston, Mass., all expenditures made by him on account of the recent fire at Chelsea, Mass., in the aggregate sum not exceeding $600. And that the accounting officers of the Treasury are also authorized and directed to allow in the accounts of the Marine-Hospital Service located at Chelsea, Mass., the sum of not exceeding $150, expended in taking care of accident, emergency, and maternity cases caused by the recent fire at said Chelsea. And the said hospital authorities are hereby authorized to expend in future cases of like character, out of their appropriation, an additional sum of not exceeding $3,600; such authority to be in force until such patients can be cared for in local hospitals, and not for a longer period than until the close of the fiscal year 1909.

The SPEAKER. Is there objection?

Mr. GAINES of Tennessee. Mr. Speaker, I reserve a point of order or demand a second, whichever is necessary.

The SPEAKER. The request is for unanimous consent for consideration and for passing the bill.

Mr. GAINES of Tennessee. If the gentleman asked unanimous consent for the consideration of the bill, I want to reserve the right to object until the bill is explained. I want to know something about it before I agree to it.

The SPEAKER. By unanimous consent for a short time the gentleman can explain the bill. The Chair hears no objection.

Mr. ROBERTS. Mr. Speaker, recently a bill appropriating $250,000 for the relief of the sufferers by the great calamity in the Southern States passed through the House without objection from any quarter. Here is a little bill calling for less than $5,000 to relieve the sufferers by the fire at Chelsea, Mass., where from 15,000 to 17,000 people were rendered homeless inside of six hours, and the gentleman from Tennessee wants an explanation. I will give it to him.

Immediately following the fire, acting under Executive order, the authorities at the navy-yard at Boston furnished the sufferers from that fire mattresses, blankets, drugs, and so forth, to the amount of about $600, and the Marine Hospital located in Chelsea, the city hospital being destroyed by the fire, was thrown open under Executive order to women about to be confined, and to accident and emergency cases, and they expended about $150 for subsistence and drugs for those patients. It is desired to reimburse the accounting officers of the Marine Hospital and the navy-yard, and it is desired to make it possible for the citizens of Chelsea to have the use of the Marine Hospital for accident and emergency cases during the next fiscal year, or until that stricken city can reestablish a hospital. Does that explain to the gentleman the cause and reason for this bill?

Mr. GAINES of Tennessee. That explains it very thoroughly, and I have no objection. As to the relief of the Martinique sufferers, I went down into my own pocket and sent them $50 and voted against the Congressional appropriation to relieve them. I have no objection to this bill, although I had a right to ask the gentleman for an explanation of it.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

SPECIAL REPORT ON THE DISEASES OF CATTLE.

Mr. LANDIS. Mr. Speaker, I ask unanimous consent for the present consideration and passage of House joint resolution 176, providing for the printing of the Special Report on the Diseases of Cattle.

The Clerk read the joint resolution, as follows:

Resolved, etc., That there be printed and bound 100,000 copies of the Special Report on the Diseases of Cattle, the same to be first revised and brought to date under the supervision of the Secretary of Agriculture; 30,000 copies for the use of the Senate, 60,000 copies for the use of the House of Representatives, and 10,000 copies for distribution by the Department of Agriculture.

The SPEAKER. Is there objection?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

ACCEPTANCE AND CARE OF GIFTS PRESENTED TO VESSELS OF THE NAVY.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent for the present consideration and passage of the bill (S. 5617) authorizing the Secretary of the Navy to accept and care for gifts presented to vessels of the Navy of the United States.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to accept and care for such gifts in the form of silver, colors, books, or other articles of equipment or furniture as, in accordance with custom, may be presented to vessels of the Navy by States, municipalities, or otherwise. The necessary expense incident to the care and preservation of gifts of this character which have been or may hereafter be accepted shall be defrayed from the appropriation "Equipment of vessels."

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

REMOVAL OF RESTRICTIONS, FIVE CIVILIZED TRIBES.

Mr. SHERMAN. Mr. Speaker, I move to suspend the rules, disagree to the Senate amendments to the bill (H. R. 15641) for the removal of restrictions from part of the lands of allottees of the Five Civilized Tribes, and for other purposes, and ask for a conference thereon with the Senate.

The SPEAKER pro tempore. The Clerk will report the Senate amendments.

The Senate amendments were read.

The SPEAKER pro tempore. The question is on suspending the rules, disagreeing to the Senate amendments, and asking for a conference.

Mr. CLARK of Missouri. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 258, answered "present" 9, not voting 120, as follows:

YEAS—258.

Acheson	Darragh	Harrison	McHenry
Adair	Davenport	Haskins	McKinlay, Cal.
Aiken	Davis, Minn.	Hay	McKinley, Ill.
Alexander, Mo.	Dawson	Hayes	McKinney
Alexander, N. Y.	De Armond	Heflin	McLain
Allen	Denby	Helm	McMillan
Ames	Denver	Henry, Conn.	Macon
Ansberry	Diekema	Henry, Tex.	Miller
Anthony	Dixon	Hepburn	Moon, Tenn.
Ashbrook	Douglas	Higgins	Moore, Pa.
Barchfeld	Draper	Hill, Conn.	Moore, Tex.
Barclay	Durey	Hill, Miss.	Morse
Bartholdt	Dwight	Hinshaw	Mouser
Bartlett, Nev.	Ellerbe	Hitchcock	Murdock
Bates	Ellis, Oreg.	Houston	Murphy
Beale, Pa.	Englebright	Howard	Needham
Beall, Tex.	Esch	Howell, N. J.	Nelson
Bede	Fairchild	Howland	Nicholls
Bell, Ga.	Fassett	Hubbard, Iowa	Norris
Bonynge	Favrot	Hubbard, W. Va.	Nye
Booher	Ferris	Hughes, N. J.	O'Connell
Bowers	Finley	Hull, Iowa	Olcott
Boyd	Fitzgerald	Hull, Tenn.	Overstreet
Bradley	Floyd	Humphrey, Wash.	Padgett
Brodhead	Focht	James, Addison D.	Page
Brownlow	Fordney	James, Ollie M.	Parker, N. J.
Brundidge	Foster, Ill.	Johnson, Ky.	Parsons
Burgess	Foster, Ind.	Johnson, S. C.	Patterson
Burke	Foster, Vt.	Jones, Va.	Payne
Burleigh	French	Jones, Wash.	Perkins
Burleson	Fuller	Kahn	Pollard
Burnett	Fulton	Keifer	Pou
Burton, Del.	Gaines, Tenn.	Kelliher	Pray
Burton, Ohio	Gaines, W. Va.	Kennedy, Iowa	Prince
Calderhead	Gardner, Mich.	Kimball	Pujo
Campbell	Gardner, N. J.	Kinkaid	Rainey
Candler	Garner	Kitchin, Claude	Rauch
Capron	Garrett	Knapp	Reeder
Carter	Gilhams	Knopf	Rhinock
Cary	Gillespie	Knowland	Richardson
Caulfield	Gillett	Küstermann	Robinson
Chaney	Glass	Lafean	Rodenberg
Chapman	Godwin	Lamb	Rothermel
Clark, Mo.	Goebel	Landis	Rucker
Clayton	Goldfogle	Langley	Russell, Mo.
Cockran	Goulden	Lassiter	Russell, Tex.
Conner	Graff	Law	Ryan
Cook, Colo.	Granger	Lawrence	Sabath
Cooper, Pa.	Greene	Lee	Shackleford
Cooper, Tex.	Gregg	Legare	Sherley
Cooper, Wis.	Hackney	Lindbergh	Sherwood
Coudrey	Hale	Lloyd	Slayden
Cox, Ind.	Hall	Longworth	Slemp
Craig	Hamilton, Iowa	Loud	Smith, Cal.
Crawford	Hamilton, Mich.	Loudenslager	Smith, Mo.
Crumpacker	Hamlin	Lovering	Snapp
Currier	Hammond	McCall	Sperry
Cushman	Hardwick	McDermott	Spight
Dalzell	Hardy	McGuire	Stephens, Tex.
Sterling	Taylor, Ohio	Waldo	Wilson, Pa.
Sturgiss	Tirrell	Washburn	Wood
Sulloway	Tou Velle	Watkins	Woodyard
Sulzer	Townsend	Webb	Young
Tawney	Underwood	Weeks	
Taylor, Ala.	Volstead	Wheeler	

ANSWERED "PRESENT"—9.

Adamson	Flood	Sherman	Small
Bennet, N. Y.	McMorran	Sims	Talbott
Butler			

NOT VOTING—120.

Andrus	Foulkrod	Lever	Reid
Bannon	Fowler	Lewis	Reynolds
Bartlett, Ga.	Gardner, Mass.	Lilley	Riordan
Bennett, Ky.	Gill	Lindsay	Roberts
Bingham	Gordon	Littlefield	Saunders
Birdsall	Graham	Livingston	Scott
Boutell	Griggs	Lorimer	Sheppard
Brantley	Gronna	Lowden	Smith, Iowa
Broussard	Hackett	McCreary	Smith, Mich.
Brumm	Haggott	McGavin	Smith, Tex.
Byrd	Hamill	McLachlan, Cal.	Southwick
Calder	Harding	McLaughlin, Mich.	Sparkman
Caldwell	Haugen	Madden	Stafford
Carlin	Hawley	Madison	Stanley
Clark, Fla.	Hobson	Malby	Steenerson
Cocks, N. Y.	Holliday	Mann	Stevens, Minn.
Cole	Howell, Utah	Marshall	Thistlewood
Cook, Pa.	Huff	Maynard	Thomas, N. C.
Cousins	Hughes, W. Va.	Mondell	Thomas, Ohio
Cravens	Humphreys, Miss.	Moon, Pa.	Vreeland
Davey, La.	Jackson	Mudd	Wallace
Davidson	Jenkins	Olmsted	Wanger
Dawes	Kennedy, Ohio	Parker, S. Dak.	Watson
Driscoll	Kipp	Pearre	Weems
Dunwell	Kitchin, Wm. W.	Peters	Weisse
Edwards, Ga.	Lamar, Fla.	Porter	Wiley
Edwards, Ky.	Lamar, Mo.	Powers	Willett
Ellis, Mo.	Laning	Pratt	Williams
Fornes	Leake	Randell, Tex.	Wilson, Ill.
Foss	Lenahan	Ransdell, La.	Wolf

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. STURGISS with Mr. RANDELL of Texas.

Mr. VREELAND with Mr. WOLF.

Mr. MCLAUGHLIN of Michigan with Mr. WILEY.

Mr. HOLLIDAY with Mr. RANSDELL of Louisiana.

Mr. GRAHAM with Mr. SMITH of Texas.

Mr. ELLIS of Missouri with Mr. LEWIS.

Mr. DUNWELL with Mr. LAMAR of Florida.

Mr. ANDRUS with Mr. GILL.

Mr. REYNOLDS with Mr. CARLIN.

Mr. STEVENS of Minnesota with Mr. SPARKMAN.

Mr. OLMSTED with Mr. LEAKE.

Mr. KENNEDY of Ohio with Mr. GORDON.

Mr. BENNET of New York with Mr. FORNES.

Mr. JENKINS with Mr. BRANTLEY.

The result of the vote was announced as above recorded.

The Chair announced the following conferees on the part of the House: Mr. SHERMAN, Mr. KNAPP, Mr. STEPHENS of Texas.

GENERAL DEFICIENCY APPROPRIATION BILL.

Mr. TAWNEY. Mr. Speaker, I move to suspend the rules and pass the following order:

That immediately on the adoption of this order the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 21946, the general deficiency appropriation bill; that general debate thereon be closed; and that the first reading of the bill in the Committee of the Whole House on the state of the Union be dispensed with.

I will say, Mr. Speaker, that is the same order——

Mr. DALZELL. To close general debate when?

Mr. TAWNEY. To close general debate immediately on going into Committee of the Whole House on the state of the Union.

The SPEAKER. The Chair was busy at the time; but as the Chair gathers the motion of the gentleman from Minnesota, it is to suspend the rules, that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the general deficiency bill, and that there be no general debate thereon, and the first reading of the bill be dispensed with.

Mr. TAWNEY. That is the motion.

Mr. SULZER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Well, the Chair will first put the motion. The gentleman from Minnesota moves to suspend the rules; that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the general deficiency bill; that there shall be no general debate thereon, and that the first reading of the bill be dispensed with. The gentleman from New York will state his parliamentary inquiry.

Mr. SULZER. Mr. Speaker, my parliamentary inquiry is, If this motion be adopted, will it cut off discussion under the five-minute rule?

The SPEAKER. Oh, not at all.

Mr. CLARK of Missouri. Mr. Speaker, I demand a second, and I also desire to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CLARK of Missouri. And that is, if this order reported by the gentleman from Minnesota is not susceptible of being divided into three substantive propositions?

The SPEAKER. Not under the motion to suspend the rules.

Mr. CLARK of Missouri. I know; but you have not got the rules suspended.

The SPEAKER. Oh, but it is a motion to suspend the rules.

Mr. CLARK of Missouri. But the motion to suspend the rules has three substantive propositions in it.

The SPEAKER. But the motion to suspend the rules, the Chair will state to the gentleman from Missouri, is to suspend all rules, and this motion gives the House the liberty, under existing orders of the House, by a majority vote to do exactly what the motion proposes. If the majority does not sustain the motion, the motion fails. There is no trouble about it. [Laughter.] The rulings of the Chair have been uniform under Mr. Blaine, under Mr. Colfax, during the last Congress, during this Congress; there is no precedent to the contrary, because a division of the question only comes under the rules which it is proposed to suspend.

Mr. FITZGERALD. Mr. Speaker, there has never been a motion like this made upon which the question has arisen.

The SPEAKER. Why, the books are full of precedents.

Mr. FITZGERALD. Not like this.

The SPEAKER. Oh, well; like unto this and analogous to it. Is a second demanded?

Mr. CLARK of Missouri. Mr. Speaker, I demand a second.

The SPEAKER. A second, under the rule, is ordered. The gentleman from Minnesota is entitled to twenty minutes and the gentleman from Missouri is entitled to twenty minutes.

Mr. TAWNEY. Mr. Speaker, I reserve my time. I will explain the bill when we go into the Committee of the Whole House.

Mr. CLARK of Missouri. Mr. Speaker, I yield ten minutes to the gentleman from Missouri [Mr. RUCKER].

Mr. RUCKER said:

Mr. RUCKER. Mr. Speaker, I regret the necessity which compels me to indulge in the remarks I am about to make. On April the 20th last the Committee on Election of President, Vice-President, and Representatives in Congress, through one of its members, the gentleman from Nebraska [Mr. NORRIS], unanimously reported to the House with favorable recommendation the bill (H. R. 20112) known as the campaign contribution publicity bill. There is no politics in the bill. It was introduced by the gentleman from Massachusetts [Mr. MCCALL], one of the most distinguished Republican Members of the House and one of the very best men in his party. The sole and only aim and purpose of this measure is to purify elections, the wisdom and necessity of which is conceded by all fair men in both the great political parties.

The demand by the people and the press of the United States for this legislation, regardless of party affiliation, is so universal that, if given consideration, the bill referred to would, in my judgment, receive unanimous support, or nearly so. This meritorious and most desirable measure would have passed the House long ago but for the persistent and arbitrary refusal of the Speaker to recognize the gentleman from Nebraska [Mr. NORRIS] to call up the bill and move its passage. The necessity for a chief officer to preside over our deliberations—theoretical deliberations only, though they be—and the necessity for clothing that officer with great power we all admit. But, Mr. Speaker, I deny the parliamentary or constitutional right of any man intrusted with official power to wantonly and arbitrarily exercise the power of his office to thwart, trample upon, and defeat the will of the people of the United States. [Applause on the Democratic side.]

That you, Mr. Speaker, have been appealed to and pleaded with by Members of Congress, and by distinguished citizens who are not Members, to graciously grant recognition for the purpose of putting the pending publicity bill on its passage I have been informed and believe to be true. Why have you refused? Is it because you doubt the intelligence or soundness of judgment of the gentlemen who constitute the committee which reported this bill? That committee is composed of eight Republicans and five Democrats. Many of these gentlemen have more than once presented to the Speaker of this House commissions from their constituents attesting their personal worth and their integrity of character. You, yourself, Mr. Speaker, have given each of them your own official approval and indorsement at least twice, and many of them thrice, during this session of Congress. The chairman of that committee, by the action of the Speaker of this House, has been promoted to a place on the Ways and Means Committee, the most important committee of the House. Another member, by the act of the Speaker, holds a place on the great law committee of the House—the Committee on the Judiciary. Another is a member of the Committee on Public Buildings and Grounds, and another a member of the Committee on Banking and Currency, all great committees. You have given to each and every one of these gentlemen your solemn, official indorsement; and yet, when in the performance of official duty, after due and careful consideration, they report a bill demanded by every fair-minded man in this country who desires to restore and preserve inviolate the sanctity and purity of the ballot box and to stay corrupting influences which degrade and debauch the American citizen, you ruthlessly repudiate and spurn them. I demand to know, Mr. Speaker, why this is so?

Mr. Speaker, if the principle or any provision contained in the campaign publicity bill is unwise, unpatriotic, dangerous, or vicious, can you not rely, with implicit confidence in the result, upon your partisan followers to defeat it? Have you lost faith in the wisdom and patriotism of the Republican party as represented on this floor? Have you lost the mighty power of your own persuasive eloquence, and the magic of your vehement gesture?

Mr. Speaker, I shall do no violence to your great intelligence. The fact is, you refuse to permit consideration of the bill which requires publicity of campaign contributions, because you prefer to keep the people of the United States in darkness rather than give them light; because you know this bill would prevent, or at least check, the accumulation of stupendous sums which have been used to corrupt the voter and control elections; because you defiantly set your individual will against the will of 80,000,000 people; because you fear the Republican party can not survive the storms of opposition now gathering thick and fast about it without the use of a corrupt boodle fund; because you know this bill would pass, and you fear its passage would sound the death knell of a party already too long endured. [Applause on the Democratic side.]

I concede the right of the Speaker to refuse recognition to ask for unanimous consent for the consideration of a bill to which he is opposed. I emphatically deny his right to refuse recognition to move the passage of a bill like this—a bill general in its character.

He has no such legitimate power. When he exercises such power he is a usurper, and nothing less. The House has a constitutional right to vote on the passage of a bill requiring publicity of campaign contributions, and no one man, not even the Speaker, has either the moral or legal right to prevent it, though the Speaker has done so, and is doing so. The framers of our Constitution sought to establish for us a free, representative form of government in which the voice of the American people, through their chosen representatives, might be heard. [Applause on the Democratic side.] We have here in practice a one-man government. Were our forefathers wrong? Should they have written into the Constitution that the lower branch of the legislative department of Government should consist of but one man—a Speaker—with plenary power to do or not to do whatever his fancy or prejudice might suggest? No, Mr. Speaker; the framers of the American Constitution were right and not wrong; and I rejoice in an unfaltering hope and belief that we will yet have opportunity to enact into law the principle of this bill, which means so much to the American people, and which will aid in restoring to them a Government of the people, by the people, and for the people. [Applause on the Democratic side.]

The poet inspires us with hope in the lines:

> Time at last sets all things even,
> And if we do but watch the hour,
> There never yet was human power
> Which could evade, if unforgiven,
> The patient search and vigil long
> Of him who treasures up a wrong.

[Applause.]

I do not harbor any maudlin sentimentality which induces me to condone or palliate insufferable arrogance, flagrant usurpation, or reckless despotism in office, merely because of the genial personality of one who daily crucifies the vital principles of free, representative government upon the altar of party, for partisan purposes. [Applause on the Democratic side.] A familiar quotation from Shakespeare, slightly paraphrased, accurately expresses my convictions:

> My tables, meet it is,
> I set it down
> That one may smile, and smile,
> And be a "tyrant" still.

[Applause on the Democratic side.]

CHANGE OF CONFEREES.

The SPEAKER pro tempore laid before the House the following:

HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., May 18, 1908.

Mr. MURPHY, of Wisconsin, respectfully requests to be relieved from service as conferee on Senate amendments to House bill 20120.

J. W. MURPHY.

Hon. J. G. CANNON,
Speaker House of Representatives.

The SPEAKER pro tempore. If there be no objection, this request will be granted and the Chair will appoint the gentleman from Tennessee [Mr. SIMS] in the place of Mr. MURPHY.

GENERAL DEFICIENCY APPROPRIATION BILL.

The House resumed consideration of the motion of Mr. TAWNEY.

Mr. RUCKER. I yield back to the gentleman from Missouri the balance of my time.

Mr. CLARK of Missouri. Will the gentleman from Minnesota [Mr. TAWNEY] use some of his time?

Mr. TAWNEY. I will yield ten minutes to the gentleman from New York [Mr. VREELAND].

Mr. VREELAND. Mr. Speaker, I find in the RECORD of May 15 that the gentleman from New Jersey [Mr. FOWLER], chairman of the Banking and Currency Committee of the House, during my absence from the House made some remarks about a minute and a half speech which I delivered in this body May 14 last, in which I think the gentleman from New Jersey [Mr. FOWLER] sought to leave the impression with the House that the statements I had made were not strictly true.

Mr. SULZER. Mr. Speaker, the gentleman from New Jersey [Mr. FOWLER] is not present now.

Mr. VREELAND. I thank the gentleman from New York for the information.

Mr. Speaker, I do not attach any great importance to this incident. I do not desire to reply to the gentleman from New Jersey in any spirit of resentment or bitterness. I appreciate the overwrought and excited state of mind of the gentleman from New Jersey for the past few days. And yet I think it is due to the House and to myself to make clear in the minds of my colleagues what the facts are.

I only spoke for a moment. I spoke without expecting to speak at that time. The gentleman from Mississippi [Mr. WILLIAMS] read to the House some telegrams from several small banks in Pennsylvania opposing the currency bill before the House. I said to the House that I happened to have in my pocket a letter from a banker in Atlanta, Ga. My eyesight is not quite as good as it used to be, and in glancing hastily at the letter the name looked to me like First National Bank. If I had put on my glasses I would have discovered that it was the Third National Bank. I looked at the top of the letter and saw the figures "$1,000,000," which I assumed to be the capital of the bank.

I find upon examining the letter that the $1,000,000 included the capital and surplus. The gentleman from New Jersey thereupon informs the House that there is no First National Bank in Atlanta, Ga.; that there is no bank in Atlanta, Ga., with a capital of over $500,000; therefore I must be quoting a letter from a bank which has no existence. The gentleman from New Jersey says he is intimately acquainted with Mr. McCord, of the Third National Bank of Atlanta. He must, therefore, have known that there was such a bank; that it is the largest bank in Georgia; that Mr. McCord, one of its executive officers, is a member of the American Bankers' legislative committee of fifteen. The letter did state that he had written to every member of the delegation from the State of Georgia to support the House bill. These were the main facts. Why should the gentleman bring up these petty details and seek to convey to this House the impression that I misstated the facts about them? I want to say further to the gentleman that not only Mr. McCord, but eight out of the fifteen members of the legislative committee of the American Bankers' Association have written to me or to others on the special committee appointed by the conference that they favor the legislation in this bill. Now, I want to be exactly accurate in stating their position. I will print the letter from Mr. McCord as a part of my remarks, because his statement of his position represents exactly the statements of the other members of the legislative committee of the American Bankers' Association as to their position. All of these gentlemen favor the bill known as the "bankers' bill," introduced by Mr. MCKINNEY, of Illinois. All of them would prefer to see that enacted into law.

But as individuals, speaking for their individual banks, desiring as practical men of affairs to get such legislation as can be had at this time, they favor the passage of this bill, including as it does provision for a currency commission to take up and report upon the whole subject of banking and currency at the next session of Congress. I will print also as a part of my remarks some other telegrams that may interest the gentleman. It may interest him to know that the Kansas Bankers' Association, in their State convention, 600 in number, indorsed the principles of this bill within the past few days. It may interest him to know that the Alabama State Bankers' Association, in their State convention, held at Montgomery, Ala., on Saturday last, unanimously adopted resolutions indorsing the principles of this bill and asking their Representatives in Congress to support it.

I did state to the House that no "round robins" have been used in behalf of this bill. I did state to the House that I have not sent out letters to bankers and associations asking them to support this bill. Perhaps I ought to qualify that statement by saying that I have written to no banker in the United States in relation to this bill who has not first written to me or who has not personally asked me to send to him a copy of the bill and keep him informed as to its progress. It will be remembered that a few weeks ago a large number of bankers from the West and South were in this city for the purpose of opposing the Aldrich bill before the Banking and Currency Committee. I spent many hours in talking with those gentlemen about currency legislation. I talked with them about the currency bill which I at that time introduced. Quite a number of them asked me to send them copies of the bill and write them regarding prospects for legislation. I have sent out, I suppose, fifteen or twenty letters, entirely in response to letters received from bankers or in carrying out the agreement I made with these bankers when they were in the city.

I did not say that this letter from Mr. McCord came by mere chance. It could not come by chance. It must have been intentionally written and addressed to me and deposited in the post-office. What I said was that I had it in my pocket by mere chance, it having come in that morning.

Enough for that. I want to make another statement, and that is that the letter which I sent out was true in fact when I wrote it and it is true in fact to-day. The letter which the gentleman from New Jersey sent out to 6,500 banks of the United States was not true in fact when it was written and is not true in fact to-day. The gentleman from New Jersey sent out a letter denouncing a bill which was not then in existence. His letter was dated May 9, and the Republican conference committee had not decided on the bill. The committee appointed by that conference had not reported a bill when he sent out this letter to 6,500 banks. Hence it was impossible for him to know what would be the contents of the bill that would be brought in. He denounced a bill and asked bankers to telegraph their Members and Senators against a bill without knowing what its provisions would be.

Mr. Speaker, the gentleman from New Jersey seeks to cast a slur upon my district and upon myself by referring to it as "a hayfield and hopyard district." The gentleman's shaft is pointed with malice, but it leaves no sting in my bosom. I do not feel that I need to defend the district which I have the honor to represent. It is a typical American district, filled with intelligent and patriotic American citizens, as are the great majority of the Congressional districts of the United States. [Applause.]

We have no great metropolis like Elizabeth, N. J., where the gentleman from New Jersey lives. Yet it is full of cities and towns and villages and broad meadows stretching out around them, where hay is made in summer. It is the largest Republican district in the State of New York, and that speaks volumes for the intelligence of its people. [Laughter and applause on the Republican side.] It is the largest dairying district in the State of New York, and that means that we have hayfields in plenty. It is a large manufacturing district, its products running from locomotives to toothpicks. It has plenty of colleges and schools and libraries and newspapers and books, so that knowledge is as accessible to us as to a resident of New Jersey. In addition to that, I send many copies of the CONGRESSIONAL RECORD every day into my district, and I hope that our people read the financial speeches of the gentleman from New Jersey and thus obtain financial knowledge at its very fountain head. [Laughter.]

Within the borders of my district is the great original Chautauqua, to which many thousands of students go every summer

and whose educational influence has extended to every part of the United States. From the bosom of this great Chautauqua dozens of other lesser Chautauquas have sprung, making new centers from which radiate good influences in different parts of the country. Our people are intelligent and patriotic, but we claim no monopoly of these virtues.

Mr. Speaker, the gentleman from New Jersey is pleased to refer to me as "a hayfield financier." I think very likely the gentleman is right. I at least have not arrived at that unfortunate stage where I assume to have in my own person a monopoly of all the financial knowledge that exists in this country. [Laughter.] "Hayfield" is not a term of reproach in this country. The millions of our people who work in those hayfields are the great conservative influence of our country. They own the soil and have given hostages to fortune.

The sons of those men who work in hayfields have ruled this country since its birth. George Washington left the hayfield over there on his estate at Mount Vernon and became President of the United States. Why, Mr. Speaker, the country districts are the great reservoirs from which the exhausted intellectual life of the cities is recuperated. [Applause.] Go into the great cities of the country and you will find nine-tenths of the great merchants, nine-tenths of the great bankers, the great lawyers, the great preachers and captains of industry are men who came from these hayfields to which the gentleman refers as a term of reproach. [Applause.]

Mr. Speaker, I have been a Member of this body for nearly ten years. I have been closely associated with my colleagues in this House during all that time, and whatever of reputation I may have for truth and accuracy of statement will rest upon the personal intercourse and relations I have had with Members of this House, and not what I may say about it, or what the gentleman from New Jersey may say about it. [Loud applause.]

THE THIRD NATIONAL BANK OF ATLANTA,
Atlanta, Ga., May 12, 1908.

Hon. EDWARD VREELAND, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter of April 30, inclosing a copy of your bill, also a copy of your letter of May 4 addressed to Mr. Lewis E. Pierson, chairman, Lakewood, N. J., on which last-named letter there was a footnote addressed to me, were duly received during my absence. I have been out of the city during the last ten or twelve days and have just returned from holding a group meeting of group No. 3 of the Georgia Bankers' Association at Rome, Ga., and at this meeting I took occasion to explain your bill as I understood it from our conversation, which I find has been fully confirmed upon reading the bill since my return. Then again at the meeting of the Atlanta Clearing House Association this afternoon I read the bill and explained its provisions, and it has met with favor at both of these meetings.

I am preparing a letter which I intend to send to-morrow to our Representatives in Congress, asking them, after they have given their complimentary vote to their own measure, to do us the kindness to sustain your measure. I will be perfectly frank with you and say that I do not agree as to clearing-house issues; that I am unqualifiedly for asset or credit currency; but I fully agree with you that it is impossible to obtain that legislation at the present time, and in the meantime, while we are waiting for that, your bill gives us an excellent provision to meet emergencies, and as a member of the Georgia association and a member of our local clearing house I am willing to do what I can to bring our people to the support of the bill; but of course you understand my position on the currency commission of the American Bankers' Association—that in that capacity we will have to consult before we can act as members. I believe the measure that you have proposed will grant us a relief in times of emergency that will satisfy the people and be safe to the banks and safe to the Government.

If you will pardon me for one suggestion, in looking over the list of banks in our sister States I find that the State of South Carolina could not qualify under your bill as to the amount of capital and surplus of national banks. Could it not be arranged that a provision may be placed in the bill where the total of national banks by capitalization in any of the States does not come to the requirement of $5,000,000 of capital and surplus, that they could take in banks on the border of their State in order to arrive at their full quota, or, better still, that if all of the national banks in the State do not show a capital and surplus of $5,000,000, but a capital and surplus of $4,000,000, then when all of the national banks in that State join the clearing house, the same may be organized. This, I think, would relieve the situation that will be embarrassing to the national banks located in States where they have not the full amount of capital and surplus.

My letter to the Georgia members will go forward to-morrow. Wishing you much success in this measure, and hoping that the conference of your party will bring us a satisfactory bill along the lines suggested by you, I beg leave to remain,

Yours, very truly,
JOS. A. MCCORD,
Vice-President.

LOUISVILLE, KY., *May 16, 1908.*

Hon. Mr. VREELAND,
Washington, D. C.:

If you care to have effort made to have your bill before Congress indorsed by clearing house, board of trade, and commercial club, forward me copy to-day.

S. B. LYND,
Cashier Citizens' National Bank.

PELL CITY, ALA., *May 18, 1908.*

Hon. J. H. BANKHEAD,
United States Senate, Washington, D. C.:

Alabama Bankers' Association, by resolution, unanimously approves Vreeland bill as being step in right direction and requests Alabama Senators and Representatives to support the same.

MCLANE TILTON, *Secretary.*

MONTGOMERY, ALA., *May 16, 1908.*

Hon. E. B. VREELAND,
House of Representatives, Washington, D. C.:

Alabama State Bankers' Association, after I explained your bill, unanimously adopted resolution indorsing its principle and asked their delegates to support it.

WM. B. RIDGELY.

KANSAS CITY, MO., *May 14, 1908.*

Hon. E. B. VREELAND,
House of Representatives, Washington, D. C.:

Kansas bankers' convention almost unanimously passed resolution approving principles of your bill and asking Kansas delegation to support it.

WM. BARRET RIDGELY.

Mr. TAWNEY. Mr. Speaker, I ask the gentleman from Missouri to use some of his time.

Mr. CLARK of Missouri. I yield the balance of my time to the gentleman from New York [Mr. SULZER].

The SPEAKER pro tempore. The gentleman from New York is recognized.

Mr. SULZER. Mr. Speaker, it is fitting, I believe, for me to say that I concur substantially in the timely remarks of the gentleman from Missouri [Mr. RUCKER] regarding the failure of the Republicans in this House to call up and pass the campaign contribution publicity bill, which is now on the Calendar and can be called up and passed and made a law before this session adjourns. If we do not pass it now, it will be too late to make it effective for the campaign of 1908.

In my opinion this publicity campaign contribution bill is one of the most important measures before this House. It is a bill for more honest elections, to more effectually safeguard the elective franchise, and it affects the entire people of this country. It concerns the honor of the country. The honest people of the land want it passed. All parties should favor it. Recent investigations conclusively demonstrate how important to all the people of the country is the speedy enactment of this bill for the publication before elections of campaign contributions.

I have been for years a consistent advocate of this legislation. I have done all in my power to get a favorable report from the committee, and I shall do all I can to enact it into law. Many people believe that if a law were on the statute books similar to the provisions of this bill, the Republicans would not have been successful in the election of 1896. The Republicans succeeded that year because they raised the largest corruption fund in all our history. [Applause on the Democratic side.]

In every national contest of recent years the campaign has been a disgraceful scramble to see which party could raise the most money, not for legitimate expenses, but to carry on a system of political iniquity that will not and can not bear the light of publicity. Political corruption dreads the sun of publicity and works in secret and in darkness. Pass a publicity law along the lines of this bill and I predict that in future national campaigns there will be no criminations and recriminations such as disgraced the closing days of the last Presidential contest. [Applause.] Napoleon said victory was on the side of the heaviest guns. There are many thoughtful people in this country who have been saying ever since 1896 that political victory in our Presidential contests is on the side of the campaign committee which can raise the largest boodle fund.

Mr. Speaker, in connection with this national publicity bill it is interesting to consider the amounts of money contributed and expended in Presidential campaigns in the past by the campaign committees of the two great parties. Prior to 1860, so far as I have been able to ascertain—and I have given the matter very careful investigation—no national committee in any Presidential contest expended much more than $25,000, except, perhaps, in the campaign of 1832, when Jackson triumphed over the corruption fund of the Bank of the United States. But that is now ancient history, and has very little to do with the present-day practices of national committees, and I will not spend further time in discussing it.

However, I want to read to the House a statement which has been carefully compiled by very competent and experienced men, showing the expenditures of the Republican and Democratic national committees in every Presidential contest from 1860 to 1904. Of course I do not declare that the statement of expenditures which I am about to read is absolutely accurate,

but I do say—and a careful investigation, in my opinion, will substantiate it—that these expenditures are approximately correct.

Expenditures by the Republican and Democratic national committees in the Presidential contests from 1860 to 1904.

Year.	Republican candidate.	Democratic candidate.	Expended by Republican national committee.	Expended by Democratic national committee.
1860	Abraham Lincoln	Stephen A. Douglas	$100,000	$50,000
1864	do	Geo. B. McClellan	125,000	50,000
1868	U. S. Grant	Horatio Seymour	150,000	75,000
1872	do	Horace Greeley	250,000	50,000
1876	Rutherford B. Hayes	Samuel J. Tilden	950,000	900,000
1880	James A. Garfield	W. S. Hancock	1,100,000	355,000
1884	James G. Blaine	Grover Cleveland	1,300,000	1,400,000
1888	Benjamin Harrison	do	1,350,000	855,000
1892	do	do	1,850,000	2,350,000
1896	William McKinley	William J. Bryan	16,500,000	675,000
1900	do	do	9,500,000	425,000
1904	Theodore Roosevelt	Alton B. Parker	3,500,000	1,250,000

Now, Mr. Speaker, as I said, perhaps these figures may not be absolutely accurate, and perhaps there is no way now by which they can be substantiated by legal proof, but they have been carefully compiled from the best obtainable sources, and I doubt not they will be extremely interesting to students of political events who desire to make careful investigation and comparison of campaign contributions.

These national campaign funds reveal a condition of affairs concerning our recent Presidential elections which, to every right-thinking citizen, should be sufficient reason for the enactment into law of the bill I am discussing; and this measure especially appeals to those patriotic people of our country who see grave dangers to the Republic in the growing evils incident to these large campaign funds, and who believe that they are contributed in most instances by the criminal trusts and protected industries solely for the purpose of debauching the electorate and defeating the will of the honest people of the country.

This important bill for publicity of campaign contributions is a nonpartisan measure. There should be no politics in it. We should all advocate it from patriotic motives; but some of the gentlemen on the other side are now playing politics with it, are injecting party politics into it, and are doing everything in their power to prevent the Members of this House who sincerely favor the bill from having an opportunity to vote for it. I do not hesitate to say that if this bill were presented to the membership of this House on its merits it would pass by an overwhelming majority. I would like to hear from the gentleman from Massachusetts [Mr. McCALL], who introduced the bill. I wish to hear his honest opinion of the thimble-rigging which has been resorted to regarding the bill ever since this session began.

It is a shame the way this bill is being strangled to death. We Democrats favor it. We will vote for it if you Republicans will give us a chance. We challenge the Republican leaders in this House to do so. I want some Republican to give us a reason why this bill is not called up, considered, and passed. Is the Speaker against it? If the Speaker is the man against it, let us know it and we will hold the Speaker responsible. Is the chairman of the Committee on Ways and Means opposed to it? Let us know, and we will hold him responsible. Is the Committee on Rules responsible for holding up this very important bill? If so, let us know and we will hold that committee responsible. Let us fix the responsibility.

Mr. GAINES of Tennessee. Will the gentleman from New York yield?

Mr. SULZER. Yes; for a question.

Mr. GAINES of Tennessee. This same committee last year did not report the bill, and they did not report it this year. Could not the Speaker appoint a committee that would report it, if he wanted to?

Mr. SULZER. Oh, yes. I am trying to find out who is responsible for the defeat of this desirable legislation. I want to fix the responsibility, so that the people will be able to take action concerning it in the coming campaign. The Republicans here can pass it. They are in the majority. We Democrats favor the bill. We will vote for it. If the bill is not acted upon, the Republicans of this House must bear the responsibility and take the consequences.

Mr. Speaker, in my opinion this Congress will be recreant to its duty and false to the people of this country if it does not take action in regard to this matter before we adjourn. The passage of this publicity bill regarding contributions to national campaign committees will be a great victory for the plain people of the land, and will go as far, in my judgment, as anything that can be devised at the present time by the ingenuity of the human mind to effectually put a stop to political iniquity in Congressional and Presidential campaigns. These great political contributions made to the national committees of both parties by the criminal trusts, and the sordid syndicates, and the gigantic corporations, and the national banks, and the vested interests, and the plutocracy, and last, but not least, the protected industries of the country, are not voluntary contributions, but are levied like taxes, and are generally made with the understanding, express or implied, that the contributors shall be protected against the rights of the people, and shall be secure in robbing the many for the benefit of the few, and shall have meted out to them by the party in power certain special privileges which are repugnant to our free institutions and contrary to the fundamental principles of the Democratic party. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman from New York has expired.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. CROCKETT, its reading clerk, announced that the Senate had passed without amendment bill of the following title:

H. R. 14382. An act to establish a United States court at Jackson, in the eastern district of Kentucky.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate to the bill (H. R. 1062) granting an increase of pension to Charles C. Weaver.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 4186) creating in the State of Minnesota a national forest consisting of certain described lands, and for other purposes.

The message also announced that the Senate had agreed to the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 902) authorizing certain extensions to be made of the lines of the Anacostia and Potomac River Railroad Company, the Washington Railway and Electric Company, the City and Suburban Railway of Washington, and the Capital Traction Company, and for other purposes.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the amendments of the Senate to the bill (H. R. 1991) granting an increase of pension to Jerry Murphy, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. BURNHAM, Mr. SMOOT, and Mr. TELLER as the conferees on the part of the Senate.

ENROLLED BILLS SIGNED.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 14382. An act to establish a United States court at Jackson, in the eastern district of Kentucky; and

H. R. 20345. An act making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1909.

GENERAL DEFICIENCY APPROPRIATION BILL.

Mr. TAWNEY. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. BURKE].

Mr. BURKE. Mr. Speaker, I have been very deeply interested in the comments made by my two friends on the other side, the gentleman from Missouri [Mr. RUCKER] and the gentleman from New York [Mr. SULZER], with reference to this publicity bill, and the question has arisen in my mind, as a result of their comments, as to whether or not their speeches were made in behalf of their candidate for the Presidency, Mr. Bryan. That question arose and has a double force with me, because Mr. Bryan was the chief advocate of the Democratic party who appeared before our committee demanding a publicity bill.

Mr. SULZER. Mr. Speaker, I shall be glad to enlighten the gentleman if he is seeking information.

Mr. BURKE. I have not the time to yield, Mr. Speaker. My time is too short. I have only two minutes.

Mr. SULZER. Then the gentleman ought not to ask for information.

Mr. BURKE. Mr. Speaker, there is no question in my mind. If there ever was, it has already been answered by Mr. Bryan himself. The question which arose at the beginning of the hearings of that committee was whether or not the Democratic party was sincere in its demand for the passage of a publicity bill. In pursuance of their plan Mr. Bryan appeared before the committee and demanded the passage of a bill that would enable the people of this country to learn by whom, when, and

where contributions were made for political purposes in this country. Within a few days after he appeared before that committee, avowing with all the sincerity that usually characterizes Mr. Bryan and his followers what his wishes were, the following interview was given out with reference to the use of money in the Denver convention, and it was given out by Mr. Bryan himself:

In an interview in New York on the subject of the efforts of his opponents to prevent his nomination at Denver Mr. Bryan said:

"The Commoner has stated that money is now being used to secure uninstructed delegations with a view to securing one-third of the delegates to the national convention with the purpose of using the one-third to control the nominations. I am the editor of the Commoner and I know whereof I speak."

"Will you give the names of those who are using the money against you?"

"I will not give the names," replied Colonel Bryan, "of those using the money, and neither will I tell where it is being used. I do not care to go further than what I have said."

Mr. BURKE. Mr. Speaker, Mr. Bryan said, "I do not care to go further than what I have said." That being the case, with every lecture platform in the country open to him, with the columns of every newspaper in the United States open to him, and the columns of the Commoner itself at his command, this gentleman, who poses as the chief advocate of a publicity bill, with personal knowledge of corruption money being used for his defeat as a candidate for the Presidency of the United States, has sealed his lips as closely as they will be when he lies in the silence of his grave. [Applause on the Republican side.] Consistency, thou art indeed a jewel!

Mr. TAWNEY. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. GILLETT].

Mr. GILLETT. Mr. Speaker, on Saturday, when the liability bill was under debate, I made the statement that the reason it could not receive more consideration, debate, and amendment was because of the filibuster that had been going on on the other side. The retort was made by the gentleman from Mississippi [Mr. WILLIAMS] and the gentleman from Alabama [Mr. CLAYTON] that that was not the reason, that we had plenty of time to amend it, and said the Democrats would grant unanimous consent that we should take up that bill then and amend it, the gentleman from Mississippi suggesting thirty-five minutes and the gentleman from Alabama five hours. That seemed on the face of it a fair retort to my criticism. It may have deceived some persons. Inasmuch as a Republican objected, it may have looked to the country as if the Democrats were willing to amend the bill and as if the Republicans were unwilling, but it is very obvious, I am sure, to Members of this House that that is not the fact. The gentleman from Mississippi said my remarks were buncombe. I think the suggestion of amendment, made on the other side, is more deserving of that epithet. Why is it that we can not take up measures like that and discuss them and amend them at length?

It is because we have not the time; it is because for weeks now half of our time has been taken by useless roll calls, and the gentlemen can not fairly say that we and not they are to blame for the little time given to any individual bill. The gentleman from Georgia said he wanted five hours to properly consider that bill, and certainly that would not have been too much. We had not the five hours we could spare in these last days of the session because of the waste of time by filibustering. But there is a deeper reason than that. The conditions under which we are now legislating, and which the filibuster on that side has inevitably occasioned, prevent deliberate legislation. The Democratic party is attempting to say that they shall decide what legislation shall be enacted. The Republican party, which is responsible for legislation, denies the Democratic claim. We can not allow that side of the House to say, "Here is a bill to which we do not object; we will allow that to be amended," and then on other bills, just as deserving, that this side desires to amend, allow them to object. We do not propose to abrogate our function of deciding what shall be done. The fact is that the filibuster which has been originated has engendered, and necessarily, on both sides of the House a partisan spirit which largely prevents bills being considered on their merit. Gentlemen on both sides of the House under these conditions vote "aye" and vote "no," or do not vote at all, not on the particular merits of the bill but with their party. That is inevitable under the conditions which have arisen, and this side of the House is obliged, because of the consumption of time by roll calls, to adopt rules which carry all bills under suspension. That allows no chance of amendment. It is a vicious practice, Mr. Speaker. I believe it is a most unfortunate condition, but it is forced on us. We have to pass the bills and this is the only way we can do it as long as half the day is spent in roll calls, and we can not allow the other side to say, "This bill which we wish to amend shall be subject to amendment, and the other bills, which Republicans are just as desirous of amending, and which just as much need it, shall not be amended." We have either to suspend the rules on all or suspend the rules on none. We can not play favorites, and particularly we can not show favoritism to that side which is causing the trouble. If we allowed that a minority would always filibuster.

Mr. GAINES of Tennessee. Will the gentleman yield for a question?

Mr. GILLETT. When I get through; I have not the time now. Therefore for gentlemen on that side to pretend that it is our fault that this one bill to which they are willing to give five hours is not amended is unfair. They know they leave us so little time that it is necessary to put all these bills through under suspension of the rules, and that we can not let them pick out any one for extra time. It involves a very unfortunate condition and it puts more power in the hands of the Speaker than I have ever known since I have been in Congress. I do not believe the Speaker wants it. I should suppose the Speaker would be very unwilling to have this great burden of deciding what bills should come up imposed upon him, and yet you have necessitated this.

Mr. CLARK of Missouri. Mr. Speaker——

Mr. GILLETT. Mr. Speaker, if I have time when I have finished this line of thought I will yield. This legislation under suspension of the rules compels the majority of the House to pass very moderate bills. It does not allow us to go as far in many instances as the House would, because we are obliged to hold our majority fast. We are obliged to present bills which we are sure the majority will approve of. I think Members on both sides of the House often vote against their own inclination, for I know many Members on that side are voting to sustain their leader against their own desire and own judgment, and I have no doubt many Members on that side of the House vote sometimes against their own judgment. That is inevitable under this practice and the result follows——

Mr. HEFLIN. Will the gentleman yield——

Mr. GILLETT. I decline to yield; I have not the time—and the result follows as was illustrated in the bill of Saturday. With that bill, which as I said then would be very much improved if left open to amendment, it was necessary for the committee which reported it to bring in a bill which they were sure would be supported; not a radical bill, but a bill which the most conservative would approve, a very moderate step in the direction which we ought to have taken, for fear we could not pass the bill at all, and this is going to apply, I am sure, to a large part of the legislation here. It is going to be hampered by this condition which the gentlemen on that side of the House have imposed upon us of trying to say that the minority shall rule. Another result is that we are obliged to combine a great many bills in one omnibus bill in order to save time and the result of that is that many bills which would go through by unanimous consent are combined together and very likely there will creep in two or three bills which ordinarily would be objected to, but which under these conditions we can not vote down without voting down the whole omnibus bill, and therefore, in that way also, this Democratic filibuster is inevitably leading to vicious legislation.

So the Republican party is responsible, and must be responsible; but it seems to me it is obviously unfair, and, as I stated before, buncombe, for the Democratic party to claim that any one bill which they offer to give time for is put through in its present phase, not because of their filibuster, but because of our choice, and we can not take up one bill without taking up other bills.

Mr. GAINES of Tennessee. Does the filibuster on the floor of this House control the majority in the committee? Did it control the Committee on the Judiciary that reported that bill the other day?

Mr. GILLETT. The majority of the committee knew that bill was to come in under a motion of suspension. They knew because of the filibuster it would not have the day's time which it ought to have, and therefore they had to frame the bill to meet the conditions.

Mr. GAINES of Tennessee. Why did they not fix the bill in the Republican way, fix it up to suit the Republicans by the Republican committee?

The SPEAKER pro tempore. All time has expired.

Mr. KIMBALL. I would like to ask the gentleman——

Mr. TAWNEY. I demand the regular order.

The SPEAKER pro tempore. The regular order is demanded. The question is on suspending the rules and passing the motion.

Mr. CLARK of Missouri. Yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

The question was taken, and there were—yeas 140, nays 86, answered "present" 7, not voting 154, as follows:

YEAS—140.

Acheson	Dawson	Howell, Utah	Norris
Alexander, Mo.	Denby	Hubbard, Iowa	Nye
Alexander, N. Y.	Douglas	Hubbard, W. Va.	Olcott
Allen	Draper	Huff	Overstreet
Barchfeld	Driscoll	Humphrey, Wash.	Parker, N. J.
Bartholdt	Durey	James, Addison D.	Parker, S. Dak.
Bates	Dwight	Jenkins	Parsons
Beale, Pa.	Ellis, Oreg.	Jones, Wash.	Payne
Bennet, N. Y.	Englebright	Kahn	Perkins
Bonynge	Fairchild	Kennedy, Iowa	Pollard
Boyd	Fassett	Kennedy, Ohio	Porter
Brownlow	Focht	Kinkaid	Pray
Burke	Foster, Vt.	Knapp	Reeder
Burleigh	French	Knowland	Rodenberg
Burton, Del.	Fuller	Küstermann	Scott
Burton, Ohio	Gaines, Tenn.	Lafean	Slemp
Calderhead	Gaines, W. Va.	Landis	Smith, Cal.
Campbell	Gilhams	Langley	Smith, Iowa
Capron	Gillett	Law	Smith, Mo.
Cary	Goebel	Lawrence	Snapp
Chaney	Graff	Lindbergh	Sperry
Chapman	Greene	Longworth	Stafford
Cole	Hale	McCall	Sterling
Conner	Hall	McGuire	Sulloway
Cook, Colo.	Hamilton, Mich.	McKinley, Ill.	Tawney
Cooper, Pa.	Hammond	McKinney	Taylor, Ohio
Cooper, Wis.	Haskins	McLaughlin, Mich.	Tirrell
Coudrey	Haugen	McMillan	Volstead
Crumpacker	Hawley	Mann	Waldo
Currier	Hayes	Miller	Washburn
Cushman	Higgins	Mondell	Weeks
Dalzell	Hill, Conn.	Moore, Pa.	Wheeler
Darragh	Hinshaw	Morse	Wilson, Ill.
Davis, Minn.	Holliday	Needham	Wood
Dawes	Howell, N. J.	Nelson	Woodyard

NAYS—86.

Adair	Fulton	Hull, Tenn.	Rhinock
Aiken	Garner	James, Ollie M.	Richardson
Ansberry	Garrett	Johnson, Ky.	Robinson
Bartlett, Nev.	Gillespie	Johnson, S. C.	Rothermel
Beall, Tex.	Glass	Jones, Va.	Rucker
Bell, Ga.	Godwin	Kelliher	Russell, Mo.
Booher	Goulden	Kimball	Russell, Tex.
Bowers	Granger	Kitchin, Claude	Sabath
Brodhead	Hackett	Lassiter	Shackleford
Brundidge	Hackney	Legare	Sherley
Burgess	Hamilton, Iowa	Lever	Sherwood
Burnett	Hamlin	Lloyd	Sims
Candler	Hardy	Macon	Slayden
Clark, Mo.	Harrison	Moon, Tenn.	Spight
Cox, Ind.	Hay	Moore, Tex.	Stephens, Tex.
De Armond	Heflin	Murphy	Sulzer
Denver	Helm	O'Connell	Tou Velle
Dixon	Henry, Tex.	Patterson	Underwood
Finley	Hill, Miss.	Pou	Webb
Fitzgerald	Hitchcock	Rainey	Wilson, Pa.
Floyd	Houston	Randell, Tex.	
Foster, Ill.	Hughes, N. J.	Rauch	

ANSWERED "PRESENT"—7.

Adamson	McMorran	Sherman	Talbott
Butler	Padgett	Small	

NOT VOTING—154.

Ames	Edwards, Ky.	Knopf	Powers
Andrus	Ellerbe	Lamar, Fla.	Pratt
Anthony	Ellis, Mo.	Lamar, Mo.	Prince
Ashbrook	Esch	Lamb	Pujo
Bannon	Favrot	Laning	Ransdell, La.
Barclay	Ferris	Leake	Reid
Bartlett, Ga.	Flood	Lee	Reynolds
Bede	Fordney	Lenahan	Riordan
Bennett, Ky.	Fornes	Lewis	Roberts
Bingham	Foss	Lilley	Ryan
Birdsall	Foster, Ind.	Lindsay	Saunders
Boutell	Foulkrod	Littlefield	Sheppard
Bradley	Fowler	Livingston	Smith, Mich.
Brantley	Gardner, Mass.	Lorimer	Smith, Tex.
Broussard	Gardner, Mich.	Loud	Southwick
Brumm	Gardner, N. J.	Loudenslager	Sparkman
Burleson	Gill	Lovering	Stanley
Byrd	Goldfogle	Lowden	Steenerson
Calder	Gordon	McCreary	Stevens, Minn.
Caldwell	Graham	McDermott	Sturgiss
Carlin	Gregg	McGavin	Taylor, Ala.
Carter	Griggs	McHenry	Thistlewood
Caulfield	Gronna	McKinlay, Cal.	Thomas, N. C.
Clark, Fla.	Haggott	McLachlan, Cal.	Thomas, Ohio
Clayton	Hamill	McLain	Townsend
Cockran	Harding	Madden	Vreeland
Cocks, N. Y.	Hardwick	Madison	Wallace
Cook, Pa.	Henry, Conn.	Malby	Wanger
Cooper, Tex.	Hepburn	Marshall	Watkins
Cousins	Hobson	Maynard	Watson
Craig	Howard	Moon, Pa.	Weems
Cravens	Howland	Mouser	Weisse
Crawford	Hughes, W. Va.	Mudd	Wiley
Davenport	Hull, Iowa	Murdock	Willett
Davey, La.	Humphreys, Miss.	Nicholls	Williams
Davidson	Jackson	Olmsted	Wolf
Diekema	Keifer	Page	Young
Dunwell	Kipp	Pearre	
Edwards, Ga.	Kitchin, Wm. W.	Peters	

So the rules were suspended and the motion was agreed to.

The following additional pairs were announced:

Until further notice:

Mr. LOUDENSLAGER with Mr. MCHENRY.

Mr. KNOPF with Mr. LEE.

Mr. KEIFER with Mr. MCDERMOTT.

Mr. HULL of Iowa with Mr. LAMB.

Mr. HOWLAND with Mr. HARDWICK.

Mr. HEPBURN with Mr. GORDON.

Mr. HENRY of Connecticut with Mr. FERRIS.

Mr. GARDNER of Michigan with Mr. FAVROT.

Mr. FOWLER with Mr. ELLERBE.

Mr. FOSTER of Indiana with Mr. DAVENPORT.

Mr. FORDNEY with Mr. CRAWFORD.

Mr. ESCH with Mr. CRAIG.

Mr. DIEKEMA with Mr. COOPER of Texas.

Mr. DAVIDSON with Mr. COCKRAN.

Mr. BEDE with Mr. BURLESON.

Mr. AMES with Mr. ASHBROOK.

Mr. FOSS with Mr. PADGETT.

Mr. WEEMS with Mr. WALLACE.

Mr. THISTLEWOOD with Mr. SMITH of Texas.

Mr. TOWNSEND with Mr. TAYLOR of Alabama.

Mr. STURGISS with Mr. RYAN.

Mr. STEENERSON with Mr. PAGE.

Mr. PRINCE with Mr. NICHOLLS.

Mr. LOVERING with Mr. MCLAIN.

For the balance of the day:

Mr. CAULFIELD with Mr. CLAYTON.

The result of the vote was then announced as above recorded.

So the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 21946, the general deficiency appropriation bill, Mr. DALZELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the general deficiency appropriation bill. By order of the House, general debate has been closed; also by order of the House the first reading of the bill has been dispensed with, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the following sums be, and the same are hereby, appropriated, out of any money in the Treasury not otherwise appropriated, to supply deficiencies in the appropriations for the fiscal year 1908, and for prior years, and for other objects hereinafter stated, namely:

Mr. TAWNEY. Mr. Chairman, I move to strike out the last word for the purpose of making a brief statement to the committee regarding the provisions of this bill. The amount recommended in the bill is $17,342,572.89. Gentlemen will see from the report how this aggregate is distributed. You will find in the bill no illegal deficiency. The aggregate is large, but it is made up principally of four items, namely, $10,000,000 for pensions, made necessary by the passage of the widows' pension act at this session of Congress, and also because of the Bureau receiving and disposing of more pension claims under the act of February 6, 1907, than the Department estimated a year ago could be disposed of, and therefore the appropriation to meet and pay these claims is deficient.

The naval establishment has $3,156,000. Almost all of it is attributable to two causes. One is the pay of the Navy, or a deficiency in the annual appropriations for the pay of the Navy, aggregating $2,250,000; and the other is about $700,000 for the purchase and transportation of coal for the use of the fleet in its trip from San Francisco around the world to Hampton Roads.

I will say in this connection that the Chief of Bureau informed the committee that the aggregate cost of the coal consumed by the fleet on this trip from Hampton Roads until its return, including transportation, will aggregate about $5,000,000.

Mr. SLAYDEN. Is that simply the cost of the coal?

Mr. TAWNEY. The cost of the coal, including its transportation.

Mr. SLAYDEN. That transportation is properly chargeable to the cost of the fuel?

Mr. TAWNEY. Yes; certainly.

The next item is for the military establishment, $1,310,000. A large part of that, in fact practically all of it, is due to the deficiency in the annual appropriation for pay of the Army—enlisted men of the Army and officers—and then a part of it is due to the deficiency occasioned by the act passed only a short time ago at this session, increasing the pay of enlisted men and officers, and this appropriation will provide for the increase during the remainder of this fiscal year.

Mr. DRISCOLL. Speaking of the coal, I am reminded to ask the gentleman from Minnesota how much are the Suez Canal tolls?

Mr. TAWNEY. That question was gone into in the early part of the session on the urgent deficiency appropriation bill, and you will find it in the hearings on the first urgent deficiency appropriation bill. I could not state it exactly, but my

best recollection is that it is something like $8,000 a vessel. That is the amount of the toll.

Now, the only other item of any consequence is the item of printing and binding, $732,000, and that is a legal deficiency, for the appropriation for printing and binding does not come within the antideficiency act. This deficiency arises out of the fact that a mistake was made in the estimates a year ago, and a less amount was estimated than was absolutely necessary to do the printing for the Departments and the printing for Congress, and it will require $732,000, of which $175,000, however, is a deficiency from the fiscal year 1907.

Then there are judgments of the Court of Claims, $894,000; judgments in Indian depredation cases, $114,000; judgments of the United States courts, $1,045, and audited accounts, which are certified in pursuance of law for appropriation, aggregating $299,151.93.

So that there is very little in the bill that involves deficiencies in annual appropriations made for the departmental service or for the service of the Government outside of the military and naval establishments, pensions, and the amounts necessary to pay judgments properly certified to Congress for payment. The fact is, Mr. Chairman, the bill might be termed a "supplemental appropriation bill," made necessary by the enactment of legislation at the present session of Congress. That is all I desire to say unless some gentleman desires to ask me some question.

Mr. SIMS. Mr. Chairman, I rise to submit a request. I desire to read to the House an address by the secretary of the Farmers' Union of Tennessee on cotton exchanges.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to read and have printed in the RECORD certain statements which he has described. Is there objection?

Mr. TAWNEY. What is the gentleman's request?

Mr. SIMS. To read an address by the secretary of the Farmers' Union of Tennessee on cotton exchanges. There is nothing political in it.

Mr. TAWNEY. I have no objection.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SIMS read the address, as follows:

THE FARMER AND THE EXCHANGE.

To the honorable Members of the Senate and House of Representatives in Congress assembled, we beg leave to submit the following for your consideration:

HOW THE EXCHANGE OPERATES.

For the making of future contracts a most elaborate and complete machine exists in what is known as the "clearing house" of the Cotton (dealing) Association. Through this clearing house or cotton exchange A sells to B a thousand bales of cotton which he may neither possess nor expect to possess. B may or may not want spot cotton at the time specified for delivery. The man who buys futures does not, as a rule, want the cotton. The man who sells futures does not, as a rule, expect or desire to deliver the cotton.

Once a week a committee adjusts what are called "settlement prices" of the different positions on the board. Supposing values have gone up during the week since contracts were made, say, one-fourth cent per pound, the seller is indebted to the buyer for that difference of a quarter cent; but if values have gone down the buyer is indebted to the seller, and the balance must be paid by the loser into the clearing house on the following Tuesday or the defaulter is posted.

To be "long" is to have bought; to be "short" is to have sold.

A deal may be "called" at any time by selling if you have bought, or buying if you have sold, an equal amount for same date of delivery, the difference being adjusted between date of first transaction and time of "call." The real value of cotton is not counted in the transaction unless the spot cotton is actually delivered.

Suppose I am an importer; I buy 1,000 bales of cotton through my agent and am notified by him; I find a customer; the cotton is shipped, and I proceed to sell futures to cover gross cost of cotton landed at place of delivery. I sell these futures of a "position" on time when actual cotton would be due to arrive and can be tendered against sale of futures and fulfill the future contract if necessary. If the price advances, I deliver on my contract sale and fail to get the rise in value—so it is of no consequence to me as an importer whether the price goes up or down. The difference between my contract sale and the gross cost is my profit.

If I sell a cargo on arrival at a depreciation in price, I would, simultaneously, buy the future hedge in the open market and play even.

Who sustains these losses?

The victims of the future market who take chances in hope of gain, who are in most cases those who do not handle cotton at all and can not, as a consequence, play even, as they have no spot cotton to balance against a future deal.

Suppose 1,000 bales are shipped and sold in small lots of 100 bales at different times, then 100 futures are bought at the same time that the hedge expires, and so on.

For carrying out these transactions the broker on exchange charges a commission of $15 per 100 bales, provided you are not a member of the exchange. If you are a member, you will have to pay only $7.50 per 100 bales. But this commission must be paid, no matter who wins or who loses. So the members of the exchange get their pay either way the market goes.

In the beginning of every new crop year prominent cotton factors, like the McFaddens, Inmans, or Farnsworth, who own in the South a large number of cotton gins and many cotton warehouses and compresses—so many of each as to nearly approach a trust—send out to their agents, located in all the principal cotton markets, orders to buy cotton. The price is usually based on Liverpool, New Orleans, Galveston, or some port market, less the freight to that point, or as much less as it can be bought for in the smaller markets. These agents receive so much per bale as a commission for buying. The custom is that as soon as an agent has made a purchase of any volume he will sell it to some exchange. At the same time he notifies McFadden, Inman, or Farnsworth of the contract. They, too, then sell to protect themselves and notify their Liverpool customers of the purchase of so many bales for their account, as the McFaddens, Inmans, and Farnsworth undertake to supply the spinners cotton on contract for any month in the year. These spinners in turn sell for their protection, claiming they want only a manufacturer's profit. This is what is termed "hedging." Here we have a sale of three or more bales of cotton on the speculative markets of the country to one of spot bought, and that, too, long before that one of spot is taken out of the visible supply. If the conditions seem favorable and the Government reports, due about this time, indicate a large crop, these natural bears on the market may sell ten to one bales of spot cotton bought. So the grower, instead of getting relief looking to better prices by the sale of his cotton to actual demand, has stimulated the future selling of it to enormous proportions.

The professionals in the market, the exchange manipulators who have purchased this cotton proceed to unload it on "the country"—so called. In this way we have this wire system as an auxiliary in the speculative trade.

You buy a paper contract, but do not pay full value for the cotton. You are required to put up anywhere from one to five dollars a bale, and on a hundred-bale contract with a few hundred dollars you can affect the price of $6,000 worth of cotton. So the buyer does not have to invest much money, nor pay interest, insurance, warehouse charges, etc. Many spinners have seats on the exchange either personally or by representatives. The exchange limits its membership and excludes anyone whom they wish. The brokers on the exchange charge a commission of $15 on the hundred bales to those not members of the exchange and $7.50 to the members. A seat on the New York Cotton Exchange costs $12,500 and is limited to 450 men. This cabal of financial pirates gather round the "pit" and hold high carnival as they gamble on values and send out to the world "quotations" which a blind public has been hypnotized to believe were real.

ESCROW.

If a corporation wishes to prevent unscrupulous brokers from underquoting its stock in the market there is a law provided for it by which the stockholders can escrow their shares and they are protected. The shareholders all sign an agreement that they will not sell for a given length of time, and for anyone to quote this escrowed stock lays him liable to prosecution.

Suppose the cotton farmer were to escrow his cotton at an agreed price and then prosecute every broker or cotton exchange that quoted cotton for sale which they did not have; they would be pursuing the tactics of corporation promoters.

Every business that does not add to the wealth and happiness of the world is a useless waste, therefore base, and should be suppressed. For me to buy 500 bales of cotton for May delivery through a cotton exchange, and the market to go against the seller, and I pocket the money put up on margin, is illegitimate for the simple reason that neither of us had performed a useful function. For one's gain to be another's loss is a speculation in fluctuations of value and in no wise legitimate speculation. The brokers on the exchange take the margin money and turn it over to the winner, less the commission charged for holding the stake and advertising the game.

With eighteen grades deliverable on the cotton exchange of New York, I can tender unspinnable cotton and depress the market. This fact being known very naturally places the future contract at a discount, and futures lead spots in the market. More cotton is reported as left over at the end of the cotton season at certain ports than the receipts amounted to during the entire year. Take New York for the cotton year of 1906–7, which had only 23,108 bales of receipts and had at the end of the year 169,975 left over. This unsalable stuff is carried over year after year to use on the exchange. When sales or purchases are made on the exchange, no specific grade is specified. It is simply so many bales. This feature alone places the transaction in the category of the purely speculative. If the gambling feature were eliminated, the so-called "legitimate feature" would not last thirty days.

To illustrate: If I am an exporter and sell 1,000 bales in March for October delivery, I turn around and purchase 1,000 bales on the exchange to be delivered at the same time. When the contract falls due I have bought my cotton and shipped to my foreign customer and I sell out my hedge. And who buys the hedge?

There is the rub.

Had I no one but genuine exporters and spinners to deal with I would find no market for my hedge. So I find it in the purely speculative operations on the exchange.

Futures are quoted in New York from 10 till 3 by wire, and in the afternoon at 2, after the great bulk of the future business is done for the day, they quote the price of spots. There may or may not have been an actual delivery of cotton, and yet the spot price be "marked down" because of a decline in futures. This is often the case. How can you quote the spot price of a thing that was not sold? It is done by "offers." The offer determines the spot value and they follow futures and futures follow the weather vane of speculation.

DIFFERENCE BETWEEN BUCKET SHOPS AND EXCHANGE.

The difference between a cotton exchange and a bucket shop is this: The bucket-shop keeper is a gambler at both ends of the line and holds the stake of the man who speculates with him and does not put up anything against it, while if you deal through the exchange they make you put up your money with a responsible party, and the one with whom you put up your wager places his with a responsible party, and when the time is called the winner banks the account.

DOES IT PREVENT FLUCTUATIONS?

Does the process of handling futures have a tendency to prevent fluctuations? Let's see. In February, 1904, the July option in New York sold as high as 17.55 cents. Before the month was out the July option sold as low as 13.02 cents. Over $20 fluctuation in that month—one hundred and fifty days ahead. How is that for a "protection" to the "legitimate" hedger? Now, did the spots tally with these futures when July finally arrived? The July futures opened by selling as low as 10.18 cents. From 17.15 cents in February there was a decline to 10.18 the first week in July. How is that for holding prices stable and putting a balance wheel on prices by the exchange?

The bucket shop could not exist twenty-four hours without the exchange as a basis of quotations, nor could the Liverpool exchange do business in this way if the American exchanges were abolished. Ac-

cording to the best estimates the bucket shops took from the South $30,000,000 annually before they were outlawed. The local wire houses have been shut up in every cotton State save two, and these are certain to do the same. Since this source of revenue has been cut off the game has lost some of its sensational activity of bygone days. The tremendous efforts now being put forth to stem the tide of revolt against exchange methods is only additional evidence of the graft that it supports. Its defenders can not prove legitimate need for its existence, and it must needs go down, as did the lottery game and faro dealing of days gone by.

On the sworn testimony of exporters, cotton merchants, and manufacturers before the legislative committees of the general assemblies in some of the States the local cotton exchanges were not necessary adjuncts to the legitimate cotton trade, but were used only for convenience by the larger exchanges. The bucket shop has been likened to a crap shooter and the exchange to the stud-poker player with a fixed hand.

There is no exchange on wool or hay, and hay leads cotton in value.

One of the most diabolical and insidious developments of the cotton trade is the tacit understanding among cotton speculators not to interfere with each other in certain territory. This unwritten law renders the producer helpless in trying to find a competitive market. Competition is eliminated and prices held down by concert of action that operates in restraint of trade beyond the reach of all the antitrust laws that can be enacted.

The exchange furnishes the means of guaranty to the speculator, and the victims of the exchange furnish the reservoir where margins are ever on tap for the exporter and speculator. If exporters and spot dealers could hedge only with each other, it would narrow the market till it would go out of use for want of customers

The exchange, by furnishing this means of insurance for the speculator, stands as a wall between the cotton raisers and the spinners. Contracts are made with spinners and the hedge resorted to as an insurance against losses, and the farmer is blocked from making direct deals. The spinner does not bother to hunt for his supplies, as he is depending on his contracts. Thus we find "closer trade relationship" is impossible so long as the exchange holds sway.

It can be proven that cotton factors like the McFaddens, Inmans, and Farnsworth make more money dealing in futures than their commissions in legitimate orders from the manufacturers and millers would be were they debarred from hedging.

Suppose a man "saves" himself by "hedging" on futures. Somebody had to lose to keep him even. Nothing is gained to society. No wealth is added to the country. One might as well swap dollars from one pocket to another as for one man's gain to be another's loss, so far as society at large is concerned.

To argue that legitimate business to-day is dependent upon a species of gambling is a travesty on reason, a stigma on business integrity, a burlesque on enterprise, and, if a fact, would be a monstrosity in civilization.

The opponents of this measure for the abolition of the exchange argue from the standpoint that the producer is dependent upon the street buyer for a market, which is no longer true, if it ever was. Does anyone think for a moment that to stop dealing in futures would stop demand for such things as are speculated on by the future-dealing process? If it would not, then it must be admitted that some other method would be found whereby the exchange would be arranged between the producer and consumer. And the other method is what the opponents of this measure object to.

Suppose some one will have to change his occupation; that will be nothing new under the sun. Coal oil put the candle-mold maker out of business. The locomotive put the stagecoach manufacturer out of business. The self-binder put the reap hook and cradle into the junk heap. The makers of shrines and gods were put out of business by the missionaries of the Christian religion, although the defenders of the old worship hired mobs to go up and down the streets of Ephesus crying: "Great is Diana of the Ephesians."

The farmers have decided to be their own salesmen and regulate supply to demand throughout the year, and they do not want the disturbing element of speculation to come in and make this adjustment the more difficult. Fictitious prices on fictitious commodities have no place in legitimate business.

No antitrust legislation had been enacted in any of the Southern States prior to January, 1905, and still we had more severe fluctuations in the price than we have recently had. Take the history of the cotton market for the past twenty-five years and you will find that it is the rule and not the exception for the price of cotton to decline violently between September 1 and December 1 of each year. You can not deceive the cotton farmers by telling them that the enactment of law to suppress gambling in cotton is responsible for the decline in the price of cotton. They have many times before any of the said laws were enacted seen the price of cotton decline violently with no more cause than has lately prevailed.

Abolishing the cotton exchange will not lessen the demand for cotton goods. If the demand for cotton goods is not affected by the abolition of the exchanges, the demand for raw cotton will in no way be lessened. The demand for cotton remaining the same the price should not be affected, unless there should be a difference in the cost of getting cotton from the producer to the spinner after the abolition of the cotton exchanges.

The farmers are organized and are in a position to furnish at established grades and prices all the cotton raised in the United States by simply filling the orders sent in by the spinners. The producers are in a position to guarantee their shipments to be as represented and furnish as good security as any of the present shippers can possibly do.

There can be no cheaper or more economical way of handling cotton from the producer to the spinner. The organized producers do this through central sales offices incorporated and capitalized for this special purpose.

Should cotton rise in price after the abolition of the exchange, the producer will be the beneficiary instead of the speculators. If the price goes down, the consumers of cotton goods will not object, and the loss will not be sustained by victims of the "future" market when caught on the losing side of the game.

Cotton exchanges feed on speculation. All kinds of speculation feed on fluctuation in price.

There can be no speculation where there is absolute stability of values. The direct result of speculation is fluctuation.

So we have it that speculation produces fluctuations, and fluctuations furnish the inducements for speculations. Each feeds the other.

WILL INTERFERE WITH BUSINESS.

The cry that to abolish the exchange would demoralize the business is the same that was raised against the President for exposing the operations of predatory manipulators of finance.

The business that it will interfere with needs to be interfered with. Other channels are ready to take care of the trade, with which we deal further on.

The press of the country has been filled with articles defending speculation on general principles, and the exchange in particular. The whole tendency of these articles is to confuse and confound all kinds of speculation with legitimate investments that carry with them an element of risk. We are accused of confusing speculations with gambling, which we deny, and turn the accusation back to them. Bucket-shop investment is betting on the rise and fall of quotations. Future hedging is the same when no delivery is made. And when these transactions are confused with ordinary investments that are in any sense a risk is to deliberately defend gambling as entirely legitimate and in no sense reprehensible. In this kind of so-called "business" the information, foresight, and private knowledge necessary to be successful can never belong to but a few of the elect, who have nothing else to do but study and operate the tricks of trade. Theodore Price has 3,450 special correspondents and 5,000 general correspondents from whom he gets information. The enormous expense necessary to conduct this system must be met by inside advantages enjoyed by the trade.

What does it cost to market a crop of cotton by present methods?

Let the ledgers of the brokers, commission men, speculators, exporters, bucket shops, and exchanges tell the tale. When 12,000,000 bales are sold before made, is it not evident that each buyer will be a bear?

The farmer who sold cotton last fall during the panic had to pay a privilege tax of from 2½ to 5 per cent for marketing his crop. Banks had suspended payment, and cotton buyers had to buy their money and pay brokerage charges of usually 3 per cent, and of course they deducted it from the price. Latham, Alexander & Co., of New York, sold money for this purpose. Latham, Alexander & Co. are heavy bankers. Latham, Alexander & Co. are supposed to be heavy dealers in cotton. One need not read between the lines unless one wants to.

AS A MORAL ISSUE.

If all the wealth absorbed by exploiters, if all the money lost by those who have staked it on futures was restored to the original owners, the magic of the change would startle the world. The system has blighted homes, destroyed business, wrecked banks, sent men raving to the madhouse, and others reeling into a suicide's grave. Those who win on the exchange are usually rendered unfit for the slow and common ways of earning a livelihood. Their success excites the cupidity of others who rush in and stake their chances and lose. The ones who win attract attention, but those who lose suffer in silence, ashamed of themselves, and are soon forgotten. Its victims are numbered in every county in the South. Take an innocent soul, uninitiated in the ways of high-flung finance as run by the buccaneers of commercial graft and let him view the scenes enacted on the floors of the exchanges at the height of their gala days of frenzied spoliation, and his blood will run cold at the scenes there presented. Men in tailored suits, with canes, patent leathers, silk hats, and diamond studs pace the floor in nervous suspense as they watch the chalk marks on the board come and go. Excitement pervades the arena. Look! A plug hat is slammed against the floor and stamped, the man tears open his collar, clutches his hair, pulls out handfulls and strews it on the floor, and reels into the street in the agony of despair. He is a ruined man—the chalk marks went against him—he lost all.

VIEWS OF PROMINENT MEN.

At the Atlanta meeting, in October, 1907, a member of the New York Exchange said that they bought and sold in spot cotton during a season about 70,000 bales and bought and sold in "futures" over a hundred million bales.

In July, 1904, Mr. Macara, of Manchester, the president of the International Manufacturers' Association, said that the manufacturers paid for the crop of 1903 enough more than the farmer got to duplicate all the factories in Great Britain.

Mr. Coats, of Manchester, England, president of the Cooperative Manufacturers' Association, representing 6,000,000 spindles, said in an address before the convention of the spinners of the world and the cotton producers of the United States in Atlanta, Ga., October 7–9, 1907, that 90 per cent of the business of the cotton exchange was evil, and unless the evil could be eliminated and the good retained, that it had better be abolished.

C. W. Smith, of England, says:

"We demand that the prices of the world's commodities shall in the future be governed by the economic laws of the world's supply and demand, and not as at present and in the past, by bull and bear gambling operations in nonexisting products and by the manipulators thereof, for the sole benefit of the gamblers, through options and future contracts. Surely all governments will see there is nothing but absolute justice in these propositions. The course of prices for agricultural products should be fixed in the future, so far as possible, through the medium of the producer.

"Further, it is by such deadly 'bull and bear' international gambling weapons that these men have also cunningly and secretly obtained the key to the financial, agricultural, and commercial conquest of the world. I maintain I have ample justification in denouncing international financial and commercial gambling in 'options and futures' as standing out as the greatest of all perils which the world has to contend with in the future, in the connection with preserving the rights of the property, as well as upholding the liberty and privileges of the people."

Congressman W. P. HEPBURN, of Iowa, recently said:

"Is it at all probable that business men would pay $75,000 or $100,000 for a seat on the New York Exchange if there was not a prospect of great returns? Would dozens of brokers, who own these priceless seats, maintain thousands of miles of private wires at a cost of thousands of dollars per month if there was not the sure-thing gamblers' profit in sight? Would they buy these seats of gold and wires of unknown cost if they were only buying and selling stocks in a legitimate manner?

"All the race-track gambling in the world; all the games of cards in the 'tenderloins' and the 'red-light districts' of the cities; all the games of chance at Monte Carlo and the other famous gambling resorts of the world are as drops in the bucket compared with the enormous transactions of the stock exchanges of the United States. During the year of 1906 the banks of New York made 4,000,000,000 separate loans on account of stocks.

"I will venture to say that not 5 per cent of these transactions on the New York Stock Exchange are legitimate transfers of stock."

Mr. HEPBURN had reference to stock exchanges in general, but the cotton exchange is as reprehensible a branch of the business as there is connected with the whole system.

The Saturday Evening Post, in a recent editorial, said:

"First and last, a lot of money is made out of this gambling. Otherwise it would not continue. Whether the bull finally gets this money,

or the bear, or simply the broker, does not matter. Whoever gets it does not earn a penny of it. He does not produce or transport or distribute a bushel of grain or a pound of cotton. He contributes absolutely nothing to industry itself. He merely sits aside and bets on it. So that the money is made in speculation; whatever the amount and whoever receives it, it is just so much scooped out of the wealth that the country produces, with no return on the scooper's part."

Doctor Johnson defines a stockjobber as a "low wretch who gets the money by buying and selling shares in the funds."

Washington said speculation was the cause of decay of public virtue, and expressed huge contempt for stockjobbers.

Macauley speaks of the ill fame of the stockjobber in his day.

Napoleon said that anyone that sold national securities short was a traitor to the state.

President Roosevelt has asked Congress to do something to prevent the grosser forms of gambling—such as making large sales of what men do not possess.

William Jennings Bryan said in a speech in New York, in March, 1908, "measured by the number of suicides caused by the New York exchanges, Monte Carlo is an innocent pleasure resort by comparison, and the men who operated the Louisiana Lottery never did a tithe of the harm that grain gamblers, cotton gamblers, and stock gamblers of New York do every day."

Speculation as carried on through the stock exchanges debauches manhood, robs society, performs no useful function, destroys stability of values, and stands as a perpetual menace to the producer.

A SUBSTITUTE FOR THE EXCHANGE.

We do not propose to overthrow a system so extended in its operations without inaugurating a better one. Our object is to economize the handling and marketing of cotton, eliminate the evils of speculation, and avoid the instability of values incident thereto without jeopardizing the interest of the producer and consumer.

The argument is made that to abolish the exchange would seriously hamper the cotton trade and leave the farmer at sea on prices. That cotton would sell at widely different prices the same time at different places. That it would leave the farmer and spinner without a medium or transfer, as it requires expert knowledge to distribute cotton properly to suit the peculiar requirements of the thousands of mills.

This might have been the condition in the past, but it is no longer so. The farmer has organized—2,000,000 strong.

The cotton raiser has prepared for the change before he asked for relief from the system he is laying aside.

The farmers have built 2,000 warehouses for storing their cotton.

They have established and incorporated central sales offices where any cotton in the United States can be bought on grades and guaranteed, and sold at prices governed by demand. These warehouses and central sales offices are owned and controlled exclusively by the farmers. The managers are hired by the year on salary and placed under surety bonds. Samples are sent from the warehouses to these central offices and guaranteed to correctly represent the bales from which they were drawn. These samples are classified and a record made of same. The prices are made to be uniform throughout the cotton belt by agreement, and these offices are in constant communication with each other. Spot cotton is sold from these offices for future delivery, but no cotton is sold before it is made.

The organization that has brought about this system is the Farmers' Educational and Cooperative Union of America, and by its authority this address is respectfully submitted for your consideration.

The exchanges, brokers, commission men, and speculators are jealous of the rising power of the farmer, and that is the secret of their tender solicitation for his welfare. The only legitimate exchange is the kind the farmers have established. They do not hedge nor create a condition that requires it. They deal in spots and have the goods.

T. J. BROOKS, *Secretary.*

Mr. JOHNSON of South Carolina. I want to ask the gentleman a question.

Mr. TAWNEY. I yield to the gentleman.

Mr. JOHNSON of South Carolina. I have glanced at the deficiency bill this morning. Is it composed exclusively of items that have been audited by the Department?

Mr. TAWNEY. No. There is an item of audited accounts, $299,151.93. These are audited accounts that are certified by authority of law to Congress every year from the Departments. They are accounts that have passed through the hands of the Auditor and have been audited, but there is no appropriation with which to pay them. The other items in the bill are not audited accounts, except where deficiencies have been ascertained for particular years. If there is a deficiency, for instance, for 1905, in an annual appropriation, that is an ascertained deficiency and the amount chargeable to that appropriation has been audited, but because of the lapse of time the appropriation has passed into the Treasury and there is no money with which to meet the deficiency.

Mr. JOHNSON of South Carolina. I understand that. Now, deficiency appropriations made for the current fiscal year are anticipated?

Mr. TAWNEY. Some of them.

Mr. JOHNSON of South Carolina. And deficiencies will occur if they keep the present force, and, therefore, some are anticipated?

Mr. TAWNEY. Yes; some are anticipated, and in other cases there is a deficiency now.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. ROBERTS having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. CROCKETT, its reading clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 16882) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1909, and for other purposes.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 15641) for the removal of restrictions from part of the lands of allottees of the Five Civilized Tribes, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. OWEN, Mr. CLAPP, and Mr. CURTIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4341. An act granting an increase of pension to Calvin P. Lynn;

S. 5412. An act granting an increase of pension to Byron C. Mitchell; and

S. 7123. An act granting an increase of pension to Harry S. Lee, formerly Albert Lee Alleman.

GENERAL DEFICIENCY APPROPRIATION BILL.

The committee resumed its session.

Mr. BRUNDIDGE. Mr. Chairman, I move to strike out the last word. I simply want to say a word in corroboration of what the gentleman from Minnesota, chairman of the committee, has said. I think a close inspection of this bill will show every Member of the House that the committee has been diligent to see that nothing but items in the nature of a general deficiency has gone into the bill. More than $15,000,000 of the bill, as the chairman says, are made necessary by legislation enacted at this session of Congress, leaving a little over $2,000,000 for general deficiencies proper, and this is largely accounted for by accounts that have been audited by heads of the different Departments, and therefore stand in the same position practically as the judgment of a court.

The committee has been most diligent in seeing that deficiencies that were not properly deficiencies were eliminated from the bill, and have only reported to the House what they felt had to be provided for under existing law. It is the most economical bill, in my judgment, that has been reported to Congress, and if other appropriation bills had adhered as rigidly to economical lines as have been used in the appropriations reported in this bill, the total appropriations at this session of Congress would have been largely decreased from the enormous totals we find them to-day.

Mr. RHINOCK. Mr. Chairman and Gentlemen of the House, I ask your indulgence while I discuss a question of most vital importance, and especially so to the tobacco growers of Kentucky and other States whose farmers are engaged in the production of this article and to the consumers of tobacco all over the country During the present session of Congress I introduced a bill which reads as follows:

A bill for the relief of tobacco growers.

Be it enacted, etc., That unstemmed tobacco in the natural leaf, or stemmed tobacco in the natural leaf, or natural-leaf tobacco in the hand twist, which tobacco is not adulterated in any way, shall not be subject to any internal-revenue tax or charge of any kind whatsoever; and it shall be lawful for any person to buy and sell such unstemmed tobacco in the natural leaf, or natural-leaf tobacco in the hand twist, which said tobacco is not adulterated, without the payment of any tax whatever.' That all laws and parts of laws in conflict herewith are hereby repealed.

This measure will, in my opinion, if enacted into law, settle the strife now being bitterly waged between the tobacco growers and the tobacco trusts. The sum and substance of this measure is to put the grower of tobacco on the same footing as the grower of cotton, corn, wheat, oats, and all other products that come out of the ground. Is there anything wrong in this proposition? Why should the Government say to the producers of cotton, corn, wheat, oats, and all the other products that come out of the ground, "Go seek the markets of the world, unhampered and unrestricted," but the tobacco grower must pay the Government 6 cents a pound for the poor privilege of preparing the product of his labor and the sweat of his brow into a convenient, merchantable shape to reach the consumer. Is not that discrimination? It ill becomes this Government, Mr. Chairman, to make war on others for discrimination until it ceases to engage in the same business. [Applause.]

That the effect of the revenue laws relating to tobacco has been to bring to the verge of ruin one of the richest countries God has made, destructively damaging to landlords and farmers, distressingly impoverishing to tenants and laborers, by placing it within the power of buyers and corporations to fix the price and combine to control it; that no other country in the United States has been so oppressed, having its natural fertility and wealth-producing powers rendered nil; that no other product of

the soil is thus taxed and singled out for trusts to prey upon; that no other people are ground to poverty between the upper and nether millstone of government and monopoly.

That the effect of the law is to destroy competition among buyers and limit the growers' market; that if the grower were permitted to stem and twist his product and sell it in any quantity anywhere, in any quantity to anybody, he could thus reach the consumer, and there would result a wider market, competitive demand, and living prices.

That under the prevailing system the grower can only sell a small quantity in the hand; that all the people about him to whom he might sell are growers like himself, or nearly all, and therefore he has no one to whom he might sell; that the small quantity he might sell would not justify him going into nontobacco regions to find customers; that he therefore has no one else to sell his crop to except the combined agents; that there is no longer competition in buying, the leading tobacco markets of the world have been abandoned by the army of buyers and agents from abroad, from all the principal countries of Europe, who sat daily around the tobacco boards and bid against each other; that the auction rooms are dismantled and abandoned, and where activity and prosperity once surged is now desolation and emptiness; that a few buyers for corporations, all in combination, alone remain to fix the price and take as much or as little as they wish; that there is no one else to whom they may sell—no exemption, no rivalry—and the result is that prices rule barely above the starvation point.

That the revenue law is directly responsible for this by depriving the grower of the right to sell his product to consumers stemmed and twisted into a shape that can be handled and used and in amount that would be any considerable part of the country's product; that to take off the handcuffs and allow him to stem and twist and sell it without limitation will create competition and bring tobacco to its worth.

That it is demonstrable, at least in the tobacco regions that we represent, that this suggestion will not decrease the revenues; but even if it does, even if it cost millions, is the Government warranted in punishing its people for revenue? Is it fair and just to select us from among all other tillers of the soil for unmerited punishment through unjust taxation?

I am asked why, if this tax is such a hardship, relief has not been asked for before this time. I will tell you. In the first place, the tobacco-tax question has been agitated more or less for the last twenty years, but that you may understand the deplorable condition under which the grower of tobacco now labors and the combination of circumstances, or I might say, the artificial means used, by which every grower of tobacco is reduced to a condition of serfdom which is becoming unbearable and which ought not to be allowed to exist in any government, and which will continue indefinitely unless relief by the passage of a measure which will take Government restrictions, regulations, and tax off of the product in its raw or unadulterated state in any form—in other words, give tobacco the same rights and privileges that corn, wheat, cotton, and other products of the earth now enjoy—it would be necessary for me to refer you to the conditions existing before the organization of the tobacco trust and a brief summary of the history of that organization and its present method of doing business.

A few years ago the manufacture of tobacco in all of its forms and the sale of the manufactured article was in the hands of many thousand different individuals and corporations, each competing with the other in the purchase of the raw material and the sale of the manufactured article. Prices then were controlled alone by the law of supply and demand, and the growers received a fair price for their labor and a reasonable income on the capital invested, and the consumer only paid a fair price for the manufactured article.

In 1890 the American Tobacco Company was organized under the laws of New Jersey, with an immense capital, for the ostensible purpose of manufacturing tobacco in all of its forms, but with the real design of crushing out all competition in buying tobacco in its raw condition and in selling the manufactured article. How well it succeeded the present condition of the tobacco business and the general uprising of the people in opposition to the methods of the trust clearly indicate. Immediately after its organization it began to purchase competing tobacco factories in this and foreign countries, and paying for them in stock in the new concern at fabulous prices, many times more than these factories were worth. It engaged in the manufacture of tobacco in competition with other factories, and as it progressed in business whenever a formidable competitor was encountered it would be offered the alternative of favorable inducements to join the trusts or forced into bankruptcy by ruinous competition.

In December, 1898, a similar concern was organized under the laws of New Jersey, known as the "Continental Tobacco Company," with a capital equally as great as the American Tobacco Company, which engaged in the business of absorbing minor factories in the same way as the American had done. While the Continental was apparently a competitor of the American, yet it was known that the promoters of the Continental were the same as the organizers of the American.

These two concerns continued as separate organizations until June, 1901, when another corporation, known as the "Consolidated Tobacco Company," was organized by the same persons and for the same purposes that its predecessors had been formed, with a capital representing more millions than was ever conceived of by the Count of Monte Cristo in his wildest hallucinations.

A short time after the organization of the Consolidated Tobacco Company it acquired 88 and 90 per cent of the common stock of the American and Continental companies, respectively, which gave it control of these concerns, with all the factories engaged in the manufacture of plug, smoking tobacco, snuff, and cigars, and the wholesale and retail establishments engaged in selling tobacco, cigars, snuff, and so forth, which they had acquired. After this gigantic combination was formed the Consolidated Tobacco Company began a war of extermination against all independent factories which had not been absorved by the American and Continental companies, and which were liable to compete with it in business.

In a short time a great majority of these independent concerns were either driven out of business or were forced to sell their plants to the trust, the result of which was that at the close of the year 1901 the Consolidated Tobacco Company owned and had control of 90 per cent of all the tobacco factories engaged in the manufacture of tobacco in any form in the United States and in many foreign countries.

The capital stock of this colossal combination, including stock of minor corporations owned and controlled by it, amounted to one-half billion of dollars. How much of this was watered stock no one other than the promoters will ever know, and they will never tell. Notwithstanding this unheard-of capitalization, this gigantic concern, in December, 1901, less than seven months after its organization, declared and paid a dividend of 20 per cent on its entire capital stock, and this, it will be remembered, was shortly after the close of the Spanish-American war, when the tax on manufactured tobacco was 12 cents per pound, and since the reduction of the tax from 12 to 6 cents per pound the trust has made no change in the price it pays for the raw tobacco or the price at which it sells the manufactured article.

To enable this corporation to make an annual dividend equal to one-fifth of its entire capitalization, real and fictitious, the trust forces the growers to sell their tobacco to it at less than the cost of production, with labor at from 50 to 75 cents per day, and sells the manufactured article to the consumer at from six to ten times more than it allows the growers for it. When it is understood that in the manufacture of tobacco a large amount of cheap, low-grade sugar, molasses, and licorice, worth only a few cents per pound, is worked into the raw material to make the manufactured article, some idea of the immense profits realized by the trust may be understood.

Mr. Chairman and gentlemen of the committee, that you may have some conception of the character of the men and the methods they employ in incubating this hydra-headed monster that has so ruthlessly, willfully, and maliciously robbed, pillaged, and plundered the public producers and consumers and driven the tobacco growers to a state of almost revolution [applause on the Democratic side], I quote to you a history of this organization, by Charles Edward Russell, in Everybody's Magazine.

This institution dates back to 1890 and really owes its existence to the growth of the cigarette habit that infested this country after the Centennial Exposition of 1876, when the cigarette was obligingly exhibited to us by some of our admired foreign visitors. By 1885 many houses were engaged in supplying the rapidly growing demand. These houses competed, and, in the end extravagantly, so that none of them could make money. Five of the leading cigarette-making firms, to wit, W. Duke Sons & Co., of Durham, N. C.; Allen & Ginter, of Richmond; Goodwin & Co. and the Kinney Tobacco Company, of New York; W. S. Kimball & Co., of Rochester, N. Y., and Oxford, N. C., met in New York in January, 1890, to consider ways of limiting competition. With no intention to speak unfairly or disparagingly, I suppose it was as commonplace a lot of men as ever got together. Some of them had been in business a very long time and had nothing to show but mortgages and harassing debts, and at least one of them was hard upon the shoal of practical bankruptcy.

But they met and stumbled upon a plan of organization, modeled baldly upon a hundred other such combinations then and now in existence. This American Tobacco Company was launched (congenially) in New Jersey, where it put to sea January 31, 1890. Capital, $25,000,000; assets, chiefly speculative and paper; investment, nothing—literally nothing—for the men that formed the company did not contribute one cent of money to it. They put in their respective and unprofitable businesses, but these, while important to the total cigarette product of the country, were trifling compared with the total tobacco manufacture. Of the capital stock, $2,000,000 was set aside for what were called the "live assets" of the five combining firms. Nobody ever knew what "live assets" meant, for the total real estate, free and mortgaged, of all the firms—if you will believe me—amounted to less than $400,000, and none of them being financially prosperous, there was, strictly speaking, little to base solid securities upon. The remaining $23,000,000 of stock was distributed among the firms. As an illustration of the ability, energy, and foresight that characterized these proceedings, I may mention that the apportionment of stock was effected by the gentlemen present writing figures on slips of paper that were deposited in a hat, shaken, and drawn out; and, lest it be doubted that such a performance be *possible in high* finance, I add that it has been solemnly sworn to by men that took part in it.

Upon the slips being drawn from the hat, the Duke firm and Allen & Ginter received the largest allotments, the Kinney Company less, and the remaining concerns secured only $2,499,000 each.

The firms then put part of their holdings on the market, which they could easily do without impairing their control of the enterprise. They found that the public could be induced to buy the stock at 117. In a day, therefore, without effort, without investment, without expenditure or risk, they had been presented with millions and had still their business exactly as before, only better, because now competition among them was eliminated.

From the first the new trust was blessed with a singular and certain instrument of prosperity that lay in a fixed habit of the American cigarette smoker. No cigarette consumer ever went into a shop and asked merely for a package of cigarettes, but invariably he demanded a certain brand. As a rule he would not be content with anything but this brand; hence, every dealer was compelled to maintain stocks of all the brands most called for.

This one little fact made treasures for the American Tobacco trust, and would have made them if the managers of the trust had been wholly incompetent. The trust controlled the supplies of many of the most popular brands—"Sweet Caporal," "Old Judge," "Richmond Straight Cut," and the like. Dealers must have these or cease from business. Here was a power incalculable. The trust was engaged in suppressing its competitors. Any dealer that would not help its cause it could practically ruin by refusing to sell him the goods he must have.

Another powerful factor making for its prosperity lay in the opportunities to affect its securities in the stock market, of which it may be well to cite here one illustration from the records. In December, 1895, after a meeting of the directors of the American Tobacco Company, it was announced to the public that, owing to the unsatisfactory condition of the business, the usual semiannual dividend must needs be passed. Instantly, down crashed the stock, the price declining in a few days from 117 to 63, assisted in its downward course by the gloomy statements of the men on the inside of the company's affairs.

When the stock would decline no more, the men on the inside loaded up with all of the stock they could get at bottom prices.

Soon after the directors met and declared a cash dividend of 20 per cent, and a scrip (watered stock) dividend of another 20 per cent.

At this astounding news the stock rose with a bound. Up and up it went among the stars, flying higher day by day. When it hovered at 180 or thereabouts the men on the inside unloaded the stock they had bought at 63 and reaped large profits.

The scrip they had issued as a dividend bore 6 per cent interest guaranteed. Its only purpose was that the men in charge of the property should make to themselves a present of millions out of the enforced contributions of tobacco consumers and retailers.

Repeated financiering of this kind gave to the stock a bad name among conservative brokers and bankers, who looked upon it with uneasiness and rejected it as collateral except upon great margins. But the operation drew additional strength for the American Tobacco Company as one competitor after another was allured by these fabulous profits.

There were still left many strong competitors that would not surrender to either force or allurement, and most prominent among them was the great Liggett & Myers firm, of St. Louis. Against these opponents the trust waged a long, bitter, and costly war. The scope of its operations had been greatly enlarged by the firms that had joined it; smoking and chewing tobacco had been added, and later it absorbed the snuff and cigar industries. But the hot center of its fight with Liggett & Myers continued to be over plug tobacco.

Liggett & Myers had a brand of plug tobacco called "Star," which was very popular. To oppose this, the trust put forth a brand called "Battle Axe," and to push "Battle Axe" into favor and out the "Star" the trust lost $1,000,000 a year.

The president of the American Tobacco Company and the originator of the brilliant "Battle Axe" idea was J. B. Duke. The treasurer was George Arents, of the brokerage firm of Arents & Young, Wall street. Early in 1898 James R. Keene gathered certain facts in regard to the company's business and politics and concluded that the losses had been great and unnecessary, and that if the $1,000,000 a year "Battle Axe" drain were eliminated and the enterprise put upon a straight business basis the company could water its stock to the extent of doubling its capitalization and could still make 10 per cent dividends.

As to Liggett & Myers, Keene learned that the warfare was wholly needless, because Liggett & Myers would consent to a union of plug manufacturers, providing the officers of the American Tobacco Company had nothing to do with it. Keene determined to secure a majority of the $17,900,000 of the common stock of the American Tobacco Company, with enough of the preferred to give control of the property, then to depose Duke and Arents, organize a new concern, to be called the Continental Tobacco Company, so as to take in Liggett & Myers, P. J. Sorg, the Drummond Tobacco Company, and other producers of plug, and thus gain peacefully and inexpensively the ends that the blundering trust was trying to secure with war and money.

Mr. Keene brought in to help him Oliver H. Payne, of the Standard Oil crowd, who was William C. Whitney's brother-in-law; Herbert C. Terrell, afterwards confidential attorney for the president of the sugar trust, and Moore & Schley. It was just before the Spanish-American war, and the whole market was depressed. Mr. Keene and his associates went quietly at work and so adroitly gathered in the stock that the men on the inside of the company's affairs never suspected what was happening. When the books closed and the happy gentlemen suddenly awoke to find themselves defeated and menaced with the imminent loss of their ship the price of the common stock roamed as high as $800 for 100 shares overnight—that is, for the leasing of stock for election purposes.

The Keene associates got the bulk of their stock at about 90. Their purpose was to put it up to 200 and then issue the water. It rose rapidly to well above par and all looked favorable for plan and planners. Keene's first determination, upon which he was wholly fixed, was to remove Duke and Arents. He was in daily conference at Moore & Schley's office with members of that firm, with Colonel Payne, and with Mr. Terrell. When they were ready one day they called in Captain Duke and told him that he was deposed.

Mr. Duke is a person of some temper, and, in violation of the accepted rules of the game, he let his feelings get the better of him, which was probably well for him on this occasion. He made one leap into the center of the group and denounced the whole scheme. They had him in their grip so far as the captaincy was concerned; he knew that. But he could make a lot of trouble for that ship and probably scuttle her, and he vehemently swore he would do it. He said that he would not only throw overboard all the American Tobacco stock that he held (which would be exceedingly bad for those trying to put the price up to 200), but he would get a new ship of his own and compete in the cigarette business.

Perhaps his violence frightened somebody; perhaps there were more plottings involved than those of Keene. Anyway, Moore & Schley and Terrell & Payne cast in their lot with Captain Duke. At this unexpected turn of affairs Keene surrendered the part of his scheme that contemplated the marooning of Duke and Arents and a new bargain was struck that dealt only with the manipulating of the stock.

To this work Keene now turned his attention, intending to put the stock up to 200, and telling his friends that this was the opportunity of a lifetime, which it certainly seemed to be. But somehow the stock did not go up. Mr. Keene chafed and fumed daily to Moore & Schley, and daily he was regaled with reasons. When his patience had been exhausted he announced that he would put the stock up on his own account without anybody's

assistance. Whereupon $3,100,000 of the common stock that was in the treasury of the American Tobacco Company was issued to Moore & Schley at 108¾, which was than the market price, and immediately and rapidly the stock was advanced until it reached 150.

But here another row broke out among the new associates. Keene declared that some one in the Moore & Schley end of the compact was secretly selling his stock at 150 instead of holding it until it should reach 200, which was the agreement. Of course, so long as insiders let their stock go at 150, it was useless to talk of putting the thing above that figure. Keene accused Moore & Schley, and was in turn charged with treachery. In the end Keene threw over the whole venture. Within two days he sold all his tobacco stock for what he could get, from 147⅝ down to 132½, clearing about $1,250,000, but missing the monstrous harvests that he had expected from the stock-watering. He was out, but Payne and the Standard Oil crowd were in, and stayed in, and that is where Standard Oil influence in the Tobacco Trust began. Payne had snapped up most of Keene's stock.

But now the new crowd that surrounded Captain Duke turned back joyously to the original scheme of watering the stock. The capitalization of American Tobacco was doubled. Pretty soon it was still further increased. The Continental Tobacco Company was organized and took in all the plug tobacco manufacturers except Liggett & Myers, who absolutely refused to ship under Captain Duke. Various devices were adopted to swell still further the enormous capitalization without seeming to increase it, devices like the subsidiary company and the holding company. The American Snuff Company was formed to establish a monopoly in the snuff business, and the American Cigar Company to monopolize cigar making. Every time the capital was increased, a heavier tribute was imposed upon retailer and consumer. After some years it occurred to the gentleman in actual charge of the trust that one source of profit had been overlooked, and thereafter the tobacco producer began to feel a steady contraction of the market and a decline of the prices that he obtained.

Meantime, Mr. Ryan and his friends had noted well the progress of the tobacco trust, and at the beginning of 1899 they seem to have thought that the time had come for them to participate in this good thing. Accordingly, they organized the Union Tobacco Company of New Jersey. Old friends of ours appear in the list of incorporators—Thomas F. Ryan, P. A. B. Widener, W. L. Elkins, Thomas Dolan, and R. A. C. Smith, and with gratification we may observe that the new enterprise had the sage advice and directing counsel of Elihu Root, now Secretary of State of this nation, then confidential adviser of Thomas F. Ryan.

The capital stock of the Union Tobacco Company was $10,000,000 of which, kindly note, only $1,350,000 was ever paid for. The news of its forming occasioned many painful moments on board Captain Duke's ship. The navigators there easily foresaw trouble. Mr. Ryan and his friends quickly found the talent necessary to embark on a large scale in the cigarette and tobacco business. Among the experienced men that they secured was William H. Butler, who had been vice-president of the American Tobacco Company and the originator of the "Sweet Caporal" cigarette. It was evident, therefore, that the Union Tobacco Company was equipped for formidable rivalry. Besides, the making and selling of tobacco was only a part of the business of the American Tobacco Company. Manufacturing was a good cover to the issuing and manipulating of securities from which the bulk of the great profits were derived, and the men in the Duke party knew very well that in the issuing and manipulating of securities the Ryan-Widener-Elkins-Root syndicate had no equals in the world; also that to such experts $10,000,000 of capital was as good a foundation as $100,000,000. A still greater danger lay in the proved and unequaled power of the Ryan party to influence legislation and manipulate Government—a matter of the first importance to the trust's welfare.

The first moves by the Union Tobacco Company were very disconcerting. It began by operating on a bold and big scale the institution known as the "subsidiary company," and showed the Duke party how much had been overlooked concerning that device.

The exact method by which the subsidiary company device is worked I can show best by relating a particular instance. One of the firms that had remained outside of the trust and continued to fight it was W. T. Blackwell & Co., of Durham, N. C., makers of smoking tobacco. The Ryan-Widener-Root syndicate bought out W. T. Blackwell & Co. for $2,300,000. They then formed the Blackwell Tobacco Company as a subsidiary concern of the Union Tobacco Company and capitalized it at $9,000,000. They then sold to the public at par $6,800,000 of this stock, retaining the rest for their own purposes. The net result of this transaction was that they had secured a profit of $4,500,000 in cash and yet had $2,200,000 in stock.

These operations caused additional misery to Captain Duke and his friends. In making of something out of nothing they had been enormously successful, and yet, it must be admitted, in a crude and blundering way. Opposed to them were men that had been all their lives engaged in making something from nothing and had shown in the process both finesse and industry. From the Duke ship the outlook seemed stormy indeed. Meanwhile the Ryan-Root syndicate proclaimed that it proposed to press resolutely ahead and to compete vigorously in every department of the tobacco trade. With hand upon heart, so to speak, it declared to the public that its one dear object was to combat monopoly. Before the agonized gaze of the retail trader, groaning and sweating under the screws of the trust, the coming of the new company was a joy unspeakable. To the prosecuted consumer, who for some years had been noticing a decline in the quality of his tobacco, there showed at last a promise of relief and fair treatment. To break the monopoly—that was the thing. Mr. Ryan, Mr. Widener, and Mr. Root—whose sympathies against monopoly in all its forms can be readily understood—bent themselves assiduously to this congenial task. And this is how they did it. For six months or less the gentlemen on Captain Duke's quarter-deck looked into the muzzle of the pistol held by the syndicate. Then they offered to surrender. What did the syndicate want? Well, it wanted to be bought. For how much? For $10,000,000 and the control of the trust ship. That was all.

The terms were hard, but there was no other way out of the situation. A battle with the syndicate would have sunk the ship and all on board. There were too many and too big guns involved. So the Duke party agreed to the terms. They issued $35,000,000 of additional American Tobacco stock, paid $10,000,000 for the paper-fed Union Tobacco Company, bought the subsidiary companies that the Union gentlemen had organized; and while Captain Duke still stood at the wheel and issued orders, the new crowd studied the charts below and laid the course, and that new crowd was composed of Mr. Ryan and his friends.

Probably their most remarkable achievement was their performance with Liggett & Myers. The attempted Keene mutiny had revealed the fact that Liggett & Myers would join a combination or sell to one opposed to the American. The Ryan-Root-Widener syndicate, acting on this hint, made up a pool of $200,000 and with it secured an option for sixty days to purchase the Liggett & Myers business at $18,000,000, thereby netting a profit of $6,800,000 on an expenditure of $200,000.

The profits of the syndicate in its Union Tobacco deal were stupendous. It put into the venture $1,350,000. Besides securing control of one of the greatest profit makers in the world, the syndicate cleared:

On the Blackwell deal	$4,500,000
On the Liggett & Myers deal	6,800,000
On the sale of Union Tobacco Company	8,650,000
Total	19,950,000

This in less than six months, without making anything, selling anything, or developing anything; and also without effort, risk, or expenditure, except for options and the issuing of fictitious stock.

Of the $35,000,000 of additional American stock, $21,000,000 went as another scrip dividend to the holders of American Tobacco, who were thus again presented with riches that represented nothing but the enforced contributions of the public.

No sooner was this pleasant affair concluded than the new directors of the ship began some dizzy evolutions on a broader sea.

You may recall that the subsidiary company organized to control the plug trade and fight Liggett & Myers had been called the "Continental Tobacco Concern." It was floated in New Jersey, December 9, 1898, with $75,000,000 capital stock, half common and half preferred, of which there was issued $31,145,000 of preferred and $31,146,500 of common. Its business was unsatisfactory because of the cost of fighting the firms still outside the trust and because it was monstrously overcapitalized to start with, so that its net earnings for 1899 were only $2,032,756, and it paid only 3 per cent on the preferred and nothing on the common.

It was with this branch of the business that the new control elected to work. The war with Spain had brought about greatly increased revenue duties on tobacco. After the war closed the tobacco interests desired to have these duties reduced to a peace basis, but, on the plea that the Government needed the money, Congress had refused to make any reduction.

Knowledge of these impending changes was kept a profound secret, except from the men that controlled the trust.

Immediately these men went into the market and bought all the Continental stock they could find. When they began to buy it was quoted at 12 and was inert. Unluckily the time was short and they had no chance to work the device by which a man buys while he pretends to sell and thus keeps the price from rising. The gentlemen were compelled for once to buy outright, and after a time the stock began to feel the effects. The price rose to 17, 18, 20, 22, but not before, at bottom prices, the gentlemen had secured vast loads of it.

They then prepared a new issue of Continental Tobacco Company bonds bearing 5 per cent interest. These bonds, they arranged, should be exchangeable for Continental stock.

When all this was ready, out came the news from Washington that the revenue duties were to be reduced, and up bounded the prices of all tobacco stocks.

But the gentlemen that managed the trust had secured theirs beforehand, and they now proceeded to exchange the stock they had secured at 12 and thereabouts for bonds at 70, an operation in which they cleared about $15,000,000.

Meantime the capital stock of the American Tobacco Company, which had been $25,000,000 in 1890, was nominally $68,500,000 in 1900, and with the subsidiary and other companies amounted to $200,000,000 and more.

With every desire to be temperate and fair, I am obliged to say that, so far as I can discover, the creating of this colossal something from nothing had involved no risk, no effort, little or no investment, no development of any industry, no economic equivalent, and no higher type of mentality than controls the simplest operation of the smallest country store.

Nor have we, by any means, seen the last of this easy fortune making. In June, 1901, the gentlemen in control, under the pretense of extending to foreign and less-favored lands the blessings of the trust principle, formed a new concern, the Consolidated Tobacco Company, and, of course, out came a new flood of water. The capital stock of the Consolidated Tobacco Company was $40,000,000, and it issued $157,378,200 of 4 per cent bonds, making its total capitalization nearly $200,000,000. With these fresh tokens of something from nothing it took over the American and the Continental, giving $100 in 4 per cent bonds for every $50 of American and $100 in 4 per cent bonds for every $100 of Continental. The public tolerance being not yet exhausted, the same old game was worked again on these issues, and again the insiders, having knowledge of what was toward, picked up Continental stock in advance and added further millions to their vast hoards.

How the trust now sailed for British waters, how Captain Duke made a sad mess of his voyage, how the ship was rescued from an attacking party of Englishmen that threatened to sink her, and how she now sails unmolested and taking toll on those busy seas are things not unfamiliar and not part of my story. What I desire to point out is that the Consolidated Tobacco Company is by no means the last illustration of high finance that these records afford. If I may be believed by the uninitiated, the device that had been worked so often to the injury of the public and the ruin of the retailer was employed again. On September 9, 1904, there appeared a new American Tobacco Company, which, with another flood of water, took over the Consolidated, the Continental, the old American, and all the rest of the outfit, and again multiplied the capitalization on which the country must furnish the profits.

For instance, the new company retired the $157,378,000 of the Consolidated Company's 4 per cent bonds by giving one-half 6 per cent preferred stock in the new company and one-half 4 per cent bonds. Six per cent bonds were given for old American Tobacco preferred at 116⅔. Besides all these securities the new company had $100,000,000 of common stock of its own, and in the year of grace 1906 on this stock, thus made of nothing, it paid 22½ per cent in dividends.

At the present time, the total capitalization of the whole enterprise, including the dummy, subsidiary, fraudulent, decoy, alias stool-pigeon, and other companies is about $500,000,000, all created from $25,000,000 of speculative and paper assets put together by Captain Duke and his friends in 1890.

As an indication of how the thing has grown, I quote figures from the American Tobacco Company alone, showing nine years' expansion:

BALANCE-SHEET LIABILITIES.

	December 31, 1897.	December 31, 1906.
Preferred stock	$11,985,000	$78,689,100
Common stock	17,900,000	40,242,400
Scrip	3,762,340	
6 per cent bonds		55,208,350
4 per cent bonds		61,052,100
Profit-and-loss surplus	7,447,849	30,353,888
All balance-sheet liabilities	42,289,236	278,628,564

BALANCE-SHEET ASSETS.

Real estate, etc	$4,009,143	
Patents and good will	24,867,263	$123,331,600
Leaf tobacco and manufacturing goods	8,591,777	31,187,814
Stock of foreign companies	1,264,655	21,495,085
Stock of other companies		70,451,549
Cash	1,538,751	5,163,965
Bills receivable	2,017,645	26,998,551

So stands this colossal and astounding structure erected upon the good-natured tolerance of the American people. The like successful exploitation has never been known in any land at any time. One of the men that have drawn golden fortunes from it, a man that in 1890 was penniless and harassed with debts, now counts more than $40,000,000 made without labor, without effort, without investment, without risk, without the vestige of any return to society.

On the increasing mass of stocks and bonds, the issuing of which has occasioned this man's fortune, there have been paid, and are now being paid, colossal sums in dividends and interest charges.

Where do these dividends and interest charges come from and who pays them?

And now we reach the heart of the whole matter.

I offer here for consideration two isolated facts:

1. At 1 o'clock on the morning of December 1, 1906, 300 armed men rode into Princeton, Ky., seized the night watch, locked up the town's fire apparatus, and proceeded to burn two tobacco warehouses owned by the tobacco trust. While the fires were under way the armed men were drawn up in lines of defense about them and prevented any attempt to extinguish the flames. As soon as the warehouses were destroyed the men released the watch and the fire apparatus and rode away. Three hundred thousand pounds of tobacco had been burned.

The men engaged in this outbreak of violence were not bandits nor ruffians; they were peaceful farmers. They did not desire wantonly to destroy property; they had been goaded by extortions and fraud, against which they had no protection, to revenge themselves in the only way in their power upon the men that had oppressed them.

2. In April, 1907, Hermann Beck, a well-known retail tobacconist of Portland, Oreg., having lost his once flourishing business, committed suicide. He had lost his business because he had been driven out of it by the tobacco trust.

The first of these incidents illustrates what the trust has done for the producer; the second, what it has done for the retailer. The two being multiplied and extended, indicate where the money has come from that paid the dividends and interest on the watered American Tobacco securities.

The United Cigar Stores Company, a branch of the trust, has more than 500 retail stores in the country (183 of them in New York City), and, speaking roughly, each of these represents a former retailer that has been deprived of his business. The method by which he has been deprived of it is one of the few operations of the trust that have been visible to the eyes of the layman. It is a process that most observant persons must have seen or known of—the little independent dealer overpowered and crushed by the big trust store next door—but few are aware, I suppose, of the tragedies that are sometimes involved in the crushing.

Some of the crushed dealers have been old men, whose one source of livelihood lay in their little shops. Some have been civil war veterans, some have been for many years in the one place and the one trade, some have been cripples and invalids. All have gone the one way when the trust started to capture their business. Sometimes the trust has resorted to extreme measures to pull them down. It has induced their landlords to raise their rent to unendurable figures; it has bought the property they rented; very often it has pushed them to ruin by giving tobacco away or selling at prices that made competition impossible. A certain Broadway dealer that had for years bravely resisted the trust has been fought from two cigar stores adjoining him. For one of these the rental is $20,000 a year, which is more than the year's total sales in that store. On the morning that this particular place opened, the man it was designed to crush walked into it and saw behind the counter four salesmen that had formerly been independent cigar dealers and had been driven out of business by the trust. It was now using them to drive out others. Such as are young and active among the ruined tradesmen can usually find for a time employment with the trust, employment at small salaries and under humiliating conditions. The older men shift for themselves or go to the poorhouse.

I do not know how many suicides like that of Hermann Beck resulted from these operations. The remaining retailers say there have been very many. Certainly Beck's is not the only

case. The whole history of the development has been a story of cruel hardship. I will give one example from many:

Joseph Liebman kept for many years a cigar store at No. 264 West One hundred and twenty-fifth street, New York City. Agents of the trust came to him about four years ago and told him that he had better retire from that neighborhood, as the trust was about to open a store there. Liebman declined to move. The agent said that he would be crushed as other small dealers had been crushed before him. He replied that he had a good trade and plenty of strong friends and was not afraid of competition. The trust opened a store next door. Liebman did not budge. The trust store began to give away cigars and tobacco. Liebman held on. Then the trust leased the ground on which Liebman's store stood and bought the building. As soon as his term expired the trust put him into the street with his stock and fixtures, which he was obliged to put into storage until he could find quarters at No. 201 West One hundred and twenty-fifth street. Now he has to operate a barber's shop to make a living.

This is a typical case; wherever the trust has appeared it has achieved similar triumphs; its pathway to success and profits has been over ruined tradesmen. On a certain stretch of Broadway where ten years ago were thirty-six independent cigar stores are now but six; and the former proprietors of the other thirty are either salesmen for the trust, servitors, dependent for their bread upon whim, fancy, and caprice, subject to espionage and suspicion, or they have sought other work, or they have died. And so the trust has wrought everywhere.

As for the producer, that is a still more melancholy story. From time immemorial tobacco leaf had been sold in the tobacco-raising regions at the free competition of buyers. There was never any quoted price for tobacco as there is for wheat or cotton, but the farmers brought their tobacco to market and the buyers were wont to bid for it. The trust has changed all this, for now in a great part of the tobacco region there is but one buyer. *The trust makes the price what it pleases, and the farmer must accept this price or take his tobacco home again.*

Under the operation of this system such tobacco as for years had brought in a free and open market 6 to 20 cents a pound sells for 3 to 10 cents a pound or less. The land that had formerly produced $75 to $200 an acre now yields less than half of its former returns, and a distinguished Kentuckian has calculated that in his State, because of the operation of the trust, the returns to the tobacco farmer are less than 20 cents a day for his labor.

In four of the countries of Europe—France, Italy, Austria, and Spain—tobacco is a Government business, and these four governments buy in the United States every year about 1,000,000 pounds of tobacco. The trust arranged with the buyers for these Governments that they should have a certain fixed territory in the South in which they might buy without opposition, provided they should buy nothing outside of that territory.

When this arrangement was made, it destroyed the last chance of competition and gave over the producer, bound, to his despoiler.

Against these conditions the farmers of the South have protested to Congress, to the Department of Commerce and Labor, and to the courts, for every step in the trust's proceedings has been wholly illegal and specifically prohibited. Yet the law has never been enforced upon this trust, nor has the Government until lately given it any greater heed than is involved in some feeble, perfunctory, and quickly abandoned inquiries.

Meantime, there is the consumer, of whom nobody seems to think much. What does it mean for him that competition has been eliminated; that the profits of the American Tobacco Company have been swollen to these colossal figures; that the owners of the trust are becoming the richest men in the world?

This is what it means for him:

The trust has secured the ownership of almost every well-known brand of Habana, Key West, and domestic cigars, brands that have been familiar for years upon years to all smokers, and that for years upon years have maintained an even degree of excellence. Many good judges of tobacco claim that under the names of these brands the trust puts forth steadily a worse quality of goods, until at last the brand dies. Their theory is that before its death the trust has sold great quantities of the brand, these goods have been produced at perhaps one-third of the original cost, and the profits have been enormous.

So far has this work been carried that some of the brands of cigarettes and smoking tobaccos formerly best known have disappeared entirely from the market. Why should the trust not do as it pleases in these matters? Every day the consumer finds greater difficulty in discovering a cigar store outside of the trust; every day a greater proportion of the retail business is seized by the trust. Many stores that pretend to be independent and do not fly the trust flag are really owned by the trust; you can hardly tell when you are buying of the trust and when you are not. Great, glittering, brilliantly lighted stores, cleverly worded advertisements, specious promises of low prices, attract and delude the consumer; it does not seem possible that bad goods can come from such imposing places. With much cunning the trust has brought into the business the influence of women. Imitating the trading-stamp device, it holds forth bribes in the shape of coupons that are exchangeable for articles of household use, and thus it induces women to urge their husbands to buy at trust stores. As the trust, by the use of inferior tobacco, by making large purchases, and by robbing the producer, has an abnormal margin of profit, it can of course well afford these bribes.

So that herein at last is displayed in the clearest colors the exact meaning and results of the formula for wealth making when that formula has done its perfect work. The bonds are issued, the stock is floated, the syndicate is enriched, the palace arises; and every cent thus represented we furnish—we that consume the tobacco, ship the freight, grow the crops, eat the beef, hang to the straps of the Subway; we upon whose backs is piled the whole vast mass of watered stocks, fictitious bonds, fraudulent scrip, gambling securities! And the only profit obtained by society in all these operations is the *spectacle of five or six men accumulating vast fortunes, fortunes beyond computation, fortunes for a few comprising the sum of available wealth that should be for all.*

Such are the facts. *Sorry and stained and wretched in the light of them looks this particular palace among the golden houses of the fortunate. Built out of the enforced contributions of the public, the steady violation of the law, the sweat of the defrauded farmer, the blood of the small dealer, what interest has mankind in the mounting millions that it represents, or wherein have we gained from its existence, we whose unexampled patience renders all these things possible?*

Mr. Chairman, you ask what about the Night Riders in Kentucky? I do not know any more about the Night Riders than the information I get from the public press. Therefore you have as much knowledge on this subject as I have. But I am perfectly familiar with the character and reputation of the tobacco growers of my State, and I assure you that no better people inhabit any section of this great round globe. They are the best type of American citizenship, who hold the esteem of their fellow-countrymen, law-abiding men, made of that stuff which is the country's bulwark both in time of peace and national peril. I know the consensus of opinion is that the tobacco growers are the Night Riders that are burning barns and destroying property. I am loath to believe it. But, gentlemen, if it be a fact that these hitherto law-abiding citizens, the defenders of the law, have suddenly become a mob and spurn that which they once defended, seeking by the torch what they formerly sought in the courts, it is a potential arraignment of our laws that men be driven to this desperation. I assume that such men are not apt to rub out the good score of a lifetime and become lawless unless the provocation is great; yet we all admit no provocation, not even the provocation of hungry families, ragged children, or blighted lives, justify lawlessness—we must all say of this Government, of the State, and of our country, "We will love it, though it slay us." [Applause on the Democratic side.]

Mr. Chairman, for years the tobacco trust has ruthlessly robbed the growers of this country. This avaricious, greedy monopoly has wrung from them colossal fortunes beside which the famed wealth of Lydia's ancient kings would be a beggar's patrimony.

Mr. Chairman, I am of the firm belief that if Congress had given the tobacco grower relief by repealing the iniquitous revenue tax and oppressive Government restrictions preventing him from properly and conveniently preparing the product of his toil for market, the bitter and dramatic warfare that is now being waged in Kentucky between the trust and the growers would have never been thought of. The tobacco grower is fighting for bread, a battle of defense. The trust is fighting for gold, one of offense. The purpose of one is to preserve that which he hath; the purpose of the other is to reap where he has not sown. One is trying to lift the yoke of a master; the other is trying to rivet its shackles upon the galled ankles of its slave.

I do not believe that violence is the proper method to employ in the quarrel between the tobacco trusts and tobacco grower. I do not believe that arson is the cure for any evil. He has for years appealed to the Government he is taxed to maintain to unhand him that he might shield his home from hunger, rags, and wretchedness, and that Government heeded not. He saw his wife, daughters, and little children driven to the field to

work like beasts of burden by the insatiate lust of this remorseless, pitiless, greedy monopoly, that it might add more millions to its already overflowing coffers. They felt the tyranny of the oppression and struck out blindly, violently, and lawlessly, but the provocation was grievous and the exasperation great.

Under the internal-revenue laws of the United States, which we are attempting to modify, if a grower takes the stem out of the tobacco grown by him, so that it may be twisted and put into a convenient form and sold direct to the consumer, all the laws applicable to the manufacturers of tobacco become applicable to him, and he is required to pay a Government tax of 6 cents per pound thereon.

Under the laws the grower is denied the right to make advantageous disposition of his crop, and is thereby placed at the mercy of the trust. The situation is simply this: The trust owns and controls 90 per cent of all the tobacco factories of the world, consuming 90 per cent of all the tobacco produced in the United States, and it therefore, with the assistance of the laws of the Government, forces every producer to sell to it, as I have shown, thus destroying every vestige of competition of the purchase of tobacco in its raw state as well as the sale of the manufactured article. The consequence is that the trust under present conditions has the power to arbitrarily fix the price of every pound of tobacco that it purchases or sells, without regard to its real value.

The growers of tobacco do not ask the aid of the law to destroy the trust, nor do they ask the aid of the law to force the trust to deal with them fairly and on business principles; but they do ask that the law be so modified that they may be allowed to prepare their tobacco in its pure, raw, or unadulterated state in any form they deem most convenient to reach the consumer; and after being so prepared, all persons shall have the right to buy and sell the same without Government tax, restrictions, or regulations. Under these conditions they can compete with the trust and sustain themselves without the aid of the Government.

Why should a grower of tobacco be required to pay a heavy tax for the privilege of preparing the product of his land so that it may be sold to the consumer? The argument in favor of such a law is no more plausible than to say a farmer should not shuck his corn, thrash his wheat, gin his cotton, or make bacon out of his hogs without paying such a tax.

I am aware the trust will oppose the passage of a measure of this character and will use the argument which at first blush seems plausible and contend that the passage of the law would deprive the Government of a large amount of revenue. In answer to this argument we insist that the amount of revenue which the Government would be deprived of by the passage of this bill would be inconsiderable, for the reason that if a grower were allowed a market for his tobacco other than the trust affords, the trust would be forced to meet competition and pay a fair price. And no grower of tobacco when he could sell at a fair price in the "hand" could ever afford to take the time and trouble to twist and stem it so as to sell it to the consumer. Under ordinary circumstances they would always prefer to sell direct to the manufacturer; but if the trust should undertake to unjustly oppress the grower, as it is now doing, by fixing the price of tobacco in the hands of the growers in its unstemmed condition at less than it is worth or out of proportion to what it charges for the manufactured article, the grower could, as a matter of self-defense, seek another market by selling to the consumer independent of the trust.

For the sake of argument, suppose the claim of the trust is true that by the passage of the measure the Government will lose a considerable amount of money in the way of taxes. We contend that no government is justified in impoverishing a certain class of her people for the sake of collecting taxes on any commodity of agriculture or should so frame its laws that in order to collect such taxes a gigantic trust would be fostered and given a monopoly of the purchase of the raw material and sale of the manufactured articles of such an important product as tobacco.

I want you to listen to the admonition of that martyred statesman and patriot, Abraham Lincoln, the greatest of all Republicans, when he warns you "not to put the dollar above the man."

When you take the position that you can not give relief to these suffering people because it will reduce the revenue, you do "put the dollar above the man." You weigh human misery in the balance and deliberately put a price upon human happiness.

We contend that but for the laws as they now exist the tobacco trust could not maintain this monopoly of the tobacco business in all of its branches in the United States, as it is doing to-day, by means of which it is unjustly oppressing hundreds of thousands of the best and most loyal citizens of the Government and depriving them of the means of providing the necessaries and comforts of life for themselves and families.

These people ask no exclusive privilege. They contend that the trust has taken advantage of the revenue laws and by means thereof have destroyed all competition among the purchasers of tobacco, and by reason of these conditions the trust arbitrarily fixes any price it sees proper at which the grower shall sell his tobacco, whether it be one-half or one-fourth of its value, and thereby unjustly converts to its own use innumerable millions of dollars in the way of profits, more than the Government can ever hope to realize in the way of taxes.

It is claimed that tobacco is a luxury and therefore ought to be taxed. Upon this question there is a difference of opinion. If it is a luxury, it is about the only one the poor man can enjoy. In my opinion it is one of the necessaries of life to the world at large. You may go where you will, you may circle this great, round globe, and wherever you find the poor laboring man at work you will find him with his pipe and tobacco. It is his solace; it is as necessary almost to his comfort and happiness as the food that goes into his mouth.

Mr. Chairman, for the sake of argument, let us admit that tobacco is a luxury. No one who ever toiled in or knows anything about its cultivation will for a moment say that it is a luxury to produce. It requires more ceaseless toil to produce it than any other crop that grows out of the earth. It requires from twelve to sixteen months to grow and market a crop of tobacco. The plant beds are sown in February and March. The crop is transplanted in May and June. It is cut and put in the barn in August and September, and after going through a drying and curing process for from four to six months is stripped and prepared for market. Therefore if tobacco be a luxury, it is in its consumption and not in its production.

Mr. Chairman, the tobacco planters and the people who are depending upon them for a living are appealing to you for relief.

They appeal to you to relieve them of this onerous, iniquitous, and unjust tax. They do not want your sympathy; they spurn your charity; they ask only even-handed justice; that they may have an opportunity to earn their bread by the sweat of their face; that the fruits of their own labor may go into their pockets and not into the coffers of a heartless, greedy trust.

Gentlemen, you are the guardians of the people and ought not ignore the rights of the toilers that Dives may add to his fortune.

Mr. Chairman, three times a bill has passed the House of Representatives to take the tax off tobacco. It passed the Fifty-eighth Congress unanimously; it passed the Fifty-ninth Congress in the same manner, and, sir, it passed this, the Sixtieth Congress, without one voice of the 391 Members of this House being raised in opposition to it. Hope beat high in the hearts of the struggling farmers of the tobacco world; they said three times, "Through that highest body of legislative power which is elected directly by the people, our bill has passed without opposition," but Mr. Chairman, where was the bill buried? Twice it has found its last resting place in the Senate. Now a bill is before this same body, passed unanimously by the House. What shall be its fate? In the name of God and humanity, I pray it may be passed. [Loud applause on the Democratic side.]

The Clerk read as follows:

To pay to the Government of Norway the moiety of the United States of an award under the convention between the United States, Great Britain, and Germany for the settlement of Samoan claims, which was signed at Washington on November 7, 1899, $200.

The Clerk read as follows:

To pay to the Government of Sweden the moiety of the United States of an award under the convention between the United States, Great Britain, and Germany for the settlement of Samoan claims, which was signed at Washington on November 7, 1899, $375.

Mr. MANN. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Amend by inserting a new paragraph after line 9, page 2, as follows:

"That the President be, and he is hereby, empowered and requested to direct the Secretary of the Smithsonian Institution, the Commissioners of the District of Columbia, and the Secretary of Agriculture to place at the disposition of the International Tuberculosis Congress, under such terms and conditions as the President may authorize or prescribe, such space, not now occupied, in the new National Museum, Municipal, and Agricultural buildings, respectively, as may be needed to properly provide for the meeting of such International Tuberculosis Congress, including exhibits, to be held in September and October of the present year, and the use of said buildings for such purposes is hereby authorized; and permanent occupancy of such buildings, respectively, shall be postponed in so far as may be necessary to carry out the foregoing provisions."

Mr. MANN. Mr. Chairman, Members of the House will understand that a request has been made by the persons having in charge the interests of the International Tuberculosis Con-

gress for some space in the city of Washington where their congress and exhibition may be held. The first request which came to the Members of the House and to the Congress came with a request for the use of the House Office Building. Subsequently I introduced a resolution proposing to give to the congress in place of the House Office Building a portion of the Capitol building, including the Hall of the House, and the Senate Chamber, and the adjoining and connecting corridors. After that the officials of the congress insisted that they would need space that would cover both Capitol building and House Office Building.

We all understand that it is quite a dangerous precedent to establish to give the use of the House Office Building, and also a dangerous precedent to give the use of the Capitol building for any outside organization. Since the request of the International Tuberculosis Congress for the use of these buildings has been made, other requests by other bodies have been presented. The matter was referred to a special committee on the distribution of rooms.

We have given hearings to the officials of the tuberculosis congress and others connected with the matter several times, and the members of that committee have unanimously agreed it would be desirable to add the amendment now offered to the general deficiency bill, which proposes to give to the President the right to direct the various officials having buildings in charge to turn over the use of the new National Museum building, the Municipal building, and the unoccupied portions of the Agricultural building. It is possible that after this becomes a law, if it does become a law, it will be necessary to make some appropriations to put the National Museum building, so far as its floors and stairways are concerned, in proper shape; but I think that the general sentiment of the Congress would be that if necessary it would be far better to spend a few thousand dollars in putting in false flooring and stairways in the new National Museum building than it would be to turn over the use of the Capitol building or the House Office Building. But the present amendment does not cover that. All that is sought now is to confer the authority for the use of these buildings for the International Tuberculosis Congress.

Mr. SULZER. Mr. Chairman, this is a most important matter in which a great many people all over the country take a deep interest, and I hope the amendment just offered by the gentleman from Illinois [Mr. MANN] will be adopted. I take an abiding interest in this tuberculosis congress. It will probably be one of the most important conventions, so far as material benefits are concerned, which has ever assembled in this or any other country. It seems to me, therefore, that we ought to provide in some way, somehow, suitable accommodations for the assembling of these distinguished experts who are doing so much for science, and giving so much of their valuable time to this appalling subject, the great white plague, which is decimating humanity every year to a much greater extent than all the wars in all the world. I hope the amendment will be agreed to. It is in a good cause and should be adopted unanimously. Anything that will check the progress of this frightful plague will be a boon to humanity most devoutly to be wished.

Mr. GAINES of Tennessee. Mr. Chairman, when the gentleman from Illinois [Mr. MANN] brought this matter up before, there was a large House present, and it was generally discussed. In the course of that discussion I made a few suggestions. As is well known, Nashville, my home city, is a city of great learning.

Mr. MANN. That is evidenced by its Representative.

Mr. GAINES of Tennessee. I thank the gentleman. We have there the Vanderbilt University, the Normal School, the Fisk University, medical colleges, church colleges, and the bishops of all the churches of the South meet there, and so forth. We discussed the question of letting the tuberculosis congress use the empty Capitol, and I was willing to agree to that and am now. I put it upon the ground that this is an "international" matter, and that it would not meet in the United States possibly within the next twenty or twenty-five years, and certainly after twenty-five years go by we can then again throw open the portals of this great Chamber, where the greatest law-making power in the world assembles. So much for that. I want to ask the gentleman from Illinois how much space these buildings will give these people?

Mr. MANN. The officials of the tuberculosis congress can not say exactly how much space they will require, but they estimate they may require 100,000 square feet of space. The buildings which we have covered in the amendment will provide them all of that and more if necessary.

Mr. GAINES of Tennessee. I have received a number of suggestions from these physicians down at home that they want offices, they want consultation rooms. I do not know why. Possibly they will have patients or exhibits or something to show each other how they are treating tuberculosis. Are we going to have that?

Mr. ADAMSON. Mr. Chairman, if the gentleman from Tennessee will permit the interruption, I could not hear whether the gentleman from Illinois stated it or not, but I desire to state that the officials of that congress at the last hearing before our committee concluded their statement with the statement that this Capitol building would not answer their purpose at all.

Mr. GAINES of Tennessee. Then that is all right.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

TREASURY DEPARTMENT.

Office of Treasurer of the United States (national currency to be reimbursed by national banks): For reimbursement of the Bureau of Engraving and Printing for the services of employees detailed to the office of the Treasurer of the United States to assort notes in the national bank redemption agency from April 6 to June 30, 1908, $3,619.59.

Mr. GILLESPIE. Mr. Chairman, I would like to have some explanation of the extra force sent over to assist the Treasury Department in assorting national-bank notes.

Mr. TAWNEY. Well, the counters and printers in the Bureau of Engraving and Printing are experts, and since the beginning of this year, since the 1st of March at least, there has been a great demand on account of the increased number of bank notes presented for redemption, all of which must be counted and sorted before the work of redemption is complete. They transfer these experts from the Bureau of Printing and Engraving over to the Treasury Department for that purpose, and when the work is completed in the Treasury Department, they are returned again.

Mr. GILLESPIE. I notice, Mr. Chairman, that these national-bank notes have accumulated in the Treasury from seven millions last December to fifty-seven millions now, and in about the same amount the gold of the general fund has decreased. We had at that time something like one hundred millions in the general fund of gold and gold certificates. I hold in my hands a tabulated daily statement of the gold and gold certificates and national-bank notes in the general fund of the Treasury from December 2 last to the 13th of this month. This statement shows that we had in the general fund on December 2 last, ninety-six millions gold and certificates and seven millions national-bank notes; December 13, one hundred and four millions gold and nine millions of bank notes; January 2, ninety-nine millions gold and eleven millions notes; January 11, ninety-three millions gold and sixteen millions notes; February 1, sixty-seven millions gold and thirty millions notes; March 16, sixty-two millions gold and thirty-five millions notes; April 1, fifty-eight millions gold and forty millions notes; April 20, forty-one millions gold and forty-four millions notes; May 8, thirty-nine millions gold and fifty-four millions notes; May 13, forty-five millions gold and fifty-seven millions notes.

As the bank notes have gone up in the general fund the gold has gone down, and I see this extra force has been working since the 6th of April, and the bank notes have been accumulating. The fact of the matter is the Secretary of the Treasury has made a call upon the banks to pay back certain of their deposits. The debt of the banks to the Government has just been changed from a deposit liability to a note liability. The banks owe the Government about as much now as they did before these calls were made, and I just wondered what this extra force could do in this situation where the bank notes are constantly accumulating and the gold in the general fund is constantly disappearing, with the apparent disposition of the Treasury not to collect from the banks.

Mr. BUTLER. Mr. Chairman, I move to strike out the last word, that I may be enabled for two or three minutes to speak upon a subject that is not appropriate, nor has it anything whatever to do with any of the provisions of this bill. I do not wish to be declared disorderly, and therefore without asking formal permission, I hope that no one will take me to task. Last Saturday there appeared in the CONGRESSIONAL RECORD a letter, which the gentleman from Texas [Mr. SLAYDEN] very generously and very kindly printed that he might do justice to a man whose name had heretofore appeared in public print in a light unfavorable to him. Therefore I appeal to the House to permit me for the space of two or three minutes to testify to the integrity of a splendid soldier and a good man. Colonel Waller is not a thief. He never took from anyone dishonestly that he might enrich himself. Perhaps his good name, for which I propose to stand, makes my testimony unnecessary, but inasmuch as the gentleman from Texas, not

knowing him at all well, did no more than print the letter and disclaim any intention of attack, I find myself performing a pleasant duty when I speak of Colonel Waller as a friend. My knowledge of him and his performances, covering a period of many years, justifies me in speaking of him as one who knows him well. He did not loot China, neither did he permit anyone else to rob the Chinese during their unfortunate rout from Tientsin and Peking in the summer of 1900.

The evidence is ample and convincing that he stood against those entertaining a design upon the rich stores of the Chinese while they were in flight. The authorities of China credit him with fidelity to his obligations as a soldier and a caretaker of their property. Since his return I have seen him often and have visited him and his family; talked with him of his campaign and his official life during his service in China, and have had the chance of observation which enables me to deny the statement that he brought property with him which belonged to the Chinese. While men are slow to confess their sins, even to friends upon whom they can rely with safety, I know, as others know whose acquaintanceship affords them the opportunity of knowing the affairs of friends, that this soldier whose deeds have been so often applauded, and deservedly so, never broke nor stimulated others to break the commandment, "Thou shalt not steal."

It seems to me that I have been but just to this man to have borne my testimony, that it might appear on record with the letter which the gentleman from Texas had read here and printed last Saturday. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

Contingent expenses, Treasury Department: For freight, expressage, telegraph and telephone service, $3,500.

Transportation of fractional silver coin: For transportation of fractional silver coin, by registered mail or otherwise, $10,000; and in expending this sum the Secretary of the Treasury is authorized and directed to transport from the Treasury or subtreasuries, free of charge, fractional silver coin when requested to do so: *Provided*, That an equal amount in coin or currency shall have been deposited in the Treasury or such subtreasuries by the applicant or applicants. And the Secretary of the Treasury shall report to Congress the cost arising under this appropriation.

Mr. GAINES of Tennessee. Mr. Chairman, just a moment. I desire to call the attention of the committee to another deficiency in the appropriation for the transportation of silver coins. They have had a deficiency as far back as I recollect in my service here in the House. They have here a $10,000 deficiency and possibly in the next paragraph a deficiency there of $130.65. Now, I would like to ask the gentleman in charge of the bill if the Senate retained the amendment that we put in some one of the bills here a few days ago covering silver coin and, I think, minor coin, one or the other or both, to be carried by registered mail and otherwise. I have not seen the bill as it came from the Senate. I have not had the opportunity.

Mr. TAWNEY. I do not think the Senate changed the provision of the House bill in regard to the method of transportation.

Mr. GAINES of Tennessee. You remember the amendment?

Mr. TAWNEY. I remember the amendment distinctly, but I have no recollection now of seeing it changed, although I would not state positively.

Mr. GAINES of Tennessee. I hope, if it is stricken out over there, the gentleman will insist on its retention.

Mr. TAWNEY. The bill has been in conference; I do not think there has been any change in that matter.

Mr. GAINES of Tennessee. I hope it will not be changed, so that in future we can have silver coins sent by registered mail, and the Secretary of the Treasury can do it. I have been to the Treasury Office and inquired, and they have little bags, etc., in which they can send it, and if they send part of it by registered mail and part by express, then there will be competition in the rate, just as we have competition when we make a Government ship in a Government yard and one in a private yard.

The Clerk read as follows:

To pay amounts found due by the accounting officers of the Treasury on account of the appropriation "Transportation of silver coin" for the fiscal year 1907, $130.65.

Mr. KIMBALL. Mr. Chairman, I desire to submit a few observations upon the general subject of the tariff, suggested by the very general discussion, both in and out of Congress, on the subject of putting wood pulp and white print paper on the free list. I ask unanimous consent to extend my remarks.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HUMPHREY of Washington. Mr. Chairman, I ask unanimous consent to be permitted the same privilege upon postal savings banks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent to extend my remarks on the subject of wire fence and wood pulp.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Chairman, some time ago I introduced H. R. 16755, having for its object the taking off of duties on all plain and galvanized iron or steel wire, woven or welded into fencing or manufactured into barbed wire.

In offering this amendment to the present tariff laws the importance and value of a protective tariff to American industries, capital and labor were not overlooked. After carefully considering the value and importance of our tariff system, as well as the importance of the measure and the present conditions, I believe that, as a protectionist and a Republican, I am fully justified in presenting this bill. I yield to nobody in admiration, loyalty, and appreciation of the principles of Republicanism and protection, and I trust that that party may forever cling to that sound and logical doctrine which I believe is so conducive to the welfare, advancement, and happiness of the American people, and which has contributed so much to our nation's growth and greatness.

I believe in, and have always advocated, a tariff to protect our wage-earners, capital, and industries—a tariff that will result in the common good of all our people. But the fact that I stand committed to a great principle governing the construction of all tariff schedules does not imply that I am wedded, hidebound, or committed to any set of tariff schedules nor that I believe or contend that there is anything so sacred in any set of tariff schedules that they can not be changed, or that all of the schedules in the Dingley bill were or are perfect. That act was undoubtedly a wise, scientific, and judicious measure, and one that has brought about marvelous results, and was undoubtedly the very best that could be enacted into law at that time, considering the large number of interests involved; but conditions have changed, which, it seems to me, makes it advisable to change some of the schedules or, possibly, frame a new law which will better meet present conditions. As to this, of course there are many opinions.

I know that our Democratic friends take consolation in the fact that there are differences of opinion in our own ranks as to tariff revision; but this is nothing new, as there always was and always will be differences of opinion in the details of a question of such vast importance. But, Mr. Chairman, there never was, nor is there now, so far as I know, any difference of opinion in the Republican party as to the principle involved, namely, as to a protective tariff system. All Republicans stand united and believe in that great, grand, and cardinal principle, a principle which the Republican party has fought and battled for from its inception to this day.

We stand united for a protective tariff and denounce free trade as advocated by our Democratic friends. We believe in the upbuilding, encouragement, and advancement of American industries and a tariff that will benefit labor and result in the common good of all our people. But, as before stated, that does not imply that there is anything sacred in any set of schedules and that they should not be changed or that the present law is perfect in all its details. There is a question, however, as to when a change should be made. Answering for myself, will say, as I have said for years, that I believe it can safely be undertaken at any time, not that I believe that a perfect bill can be drawn or agreed upon, for I fully appreciate that the many varied interests will have to be harmonized, and the best we may look for is a compromise bill. The policy would of course be in this legislation, as in all previous legislation, to give and take and to make the best bill possible. But even then I believe that the present law can be improved.

This, of course, would require much time, and more time than we now have to give, in view of the many other important questions to be considered, and I have no exception to take to the statement of the distinguished gentleman from Pennsylvania [Mr. DALZELL] and others that tariff revision should go over until after the Presidential election, and that it can then be taken up at an extra session and given the most careful consideration. I trust and believe that it will then be done, and that it will be done by a Republican Congress, in order that the principles of protection may be adhered to in every instance. So in the few minutes I have I shall not undertake to discuss tariff schedules in general. I will content myself by offering a few observations on one or two schedules, and will first give a

few reasons why I believe all plain and galvanized iron or steel wire, woven or welded into fencing or manufactured into barbed wire, should be admitted free of duty into the United States on and after July 1, 1908.

For years the Agriculture Department has carried on a careful and extensive investigation with a view of ascertaining the quality of wire fencing manufactured and sold. Anyone who will take the trouble to look up the reports and investigate will, I believe, reach the conclusion that the wire manufactured and sold at the present time in the United States is much inferior to that manufactured and sold years ago. He will find that wire made under the present process, the Bessemer and open-hearth process, is much inferior to the wire made years ago by the puddling method. Wire manufactured and sold to-day has probably equally as much, if not more, tensile strength, but it cracks and breaks off under vibration, expansion, and contraction, and is less resistant to rust, corrosion, and deterioration. The trouble is it contains too high a percentage of manganese and other impurities. The excess quantity and unequal distribution of manganese and other impurities of course makes the wire less durable, and it lasts only about one-quarter or one-fifth as long as the wire made twenty years ago. The old wire, or the more durable wire, was made of wrought iron by the old process, the puddling method, where the impurities were oxidized or burnt off and the impurities more evenly distributed. The puddling method required more labor, and it is claimed that with the present high-priced labor it can not be expected that hand-worked metal can compete in price with that produced by modern methods. As a result the steel wire, generally made from fairly high carbon hard steel, has been substituted for the old and more durable wire made out of wrought iron by the old process—the pulling method—especially the woven wire. Therefore a much inferior quality of wire is being sold the farmers and consumers of wire, not because of the inability of the manufacturers to furnish the quality desired, but from avarice and greed for profits.

The same is true as to steel sheets used for roofing, smoke flues, locomotive flues, gas pipes, and so forth. Take, for example, roofs and sides which were covered with corrugated iron sheets of heavy gauge twenty years ago, where extensions have later been erected at periods of from five to fifteen years, and where steel sheets of the same gauge were used and subjected to the same conditions and treated the same. The roof sheets laid on the first part have been found in good order after twenty years, while the steel sheets laid later have lasted only four or five years. Those who have had experience with both kinds say that the present sheets last only one-fourth or one-fifth as long as the old ones.

Besides the investigation and information furnished by the Department, I have received a large number of letters on the subject. I will not take up the time of the House to read all of them, but will read one. Here is a letter written by a gentleman I have known for thirty years. He is a practical, intelligent, and successful farmer, and what he says can be relied upon:

MANLY, IOWA, *February 21, 1908.*

HON. G. N. HAUGEN.

DEAR SIR: Allow me to thank you for the splendid work you are doing, and especially for your bill putting fence wire on the free list.

I have some fence on my place that has been doing service for twenty years, and the wire is now in better condition than some that I erected five years ago. It is utterly impossible to obtain good wire now at any price. I know I am voicing the sentiment of the entire farming community when I urge the passage of your bill.

Sincerely, yours,

M. PARKER.

Besides this I have had some experiences myself. I have bought and used fence wire for thirty years, and know that the fence wire manufactured and sold in recent years is much inferior to and shorter-lived than that sold years ago.

I will also ask to have printed in the RECORD some of the correspondence with manufacturers of wire, and newspaper clippings, which give much light on the subject. I will also invite your attention to Farmers' Bulletin No. 239, by Allerton S. Cushman, who has carried on an extensive investigation for the Department of Agriculture:

THE DENNING WIRE AND FENCE COMPANY,
Cedar Rapids, Iowa, March 12, 1908.

Mr. G. N. HAUGEN, M. C.,
Washington, D. C.

DEAR SIR: I am in receipt of your favor of the 26th ultimo, and also copy of your bill introduced in the House to have the duty removed from plain and galvanized wire and wire fencing. This matter has brought out some correspondence in the American Artisan, a hardware journal published in Chicago. I have cut from the same this correspondence and am inclosing it herewith. In this correspondence I wish to call your particular attention to the article from the Indiana Steel and Wire Company, of Muncie, Ind., as I consider this article explains fully the position of the independent wire and wire fence manufacturers as regards their relation to the American Steel and Wire Company, which is a part of the steel trust.

There are about forty independent manufacturers of wire fence, about ten or fifteen of which make their own wire. The majority of the wire-fence manufacturers not making their own wire are dependent upon the trust for their wire to make their fence. The trust is in a position to charge them almost any price they desire for their wire, and at the price they are charging them they hardly leave the independent manufacturers a living profit. The fence manufacturers who are making their own wire are nearly all dependent upon the trust for their rods from which to draw their wire. There are possibly four or five independent wire mills that make their own rods, but, going back of this for the raw material, they are dependent almost entirely upon the trust for their billets. (There are but a few independent manufacturers outside of the trust making steel, and as they are evidently in the pool with the trust, they have put the price on billets up to an abnormally high price, and are charging $28 a ton for them, which is the pool price on steel rails. It used to be customary with steel manufacturers to sell billets at about $4 per ton less than steel rails on account of the extra expense in rolling rails. The billet is the initial article in the steel product above the pig iron. They are usually made in chunks 4 inches square by 4 feet long.) There are two classes of these—Bessemer billets and open-hearth billets. The Bessemer billet is made from Bessemer pig iron. The open- and tougher than Bessemer, is made from about 50 to 60 per cent Bessemer pig iron and 40 to 50 per cent steel scrap iron. These two ingredients being melted together and poured out into molds are called being melted together and poured into molds are called "blooms," "blooms," which is a chunk of iron about 18 inches square and about 4 feet long. These are taken while hot and passed back and forht between two rollers until they are rolled down 4 inches square and then chopped off into lengths of 4 feet each, and these in turn are reheated and run through rollers again and rolled down to what are called "wire rods," between three-sixteenths inch and one-fourth inch in thickness, and sold to wire mills, and they in turn, after taking the scale off from them, draw them cold down to various sizes of wire.

Now, it is my opinion that the tariff should be removed from billets and rods as well as from wire, as I do not think the removing of the duty from wire alone will change the price much, if any; possibly it may a little along the Atlantic seacoast, but not very far inland; but if the $6 per ton duty were taken off from billets, it would reduce the price just about an equal amount on billets and rods. This would give the independent manufacturers a chance to operate, instead, as the Indiana Steel and Wire Company writes, of destroying the business of the so-called "independent" wire manufacturers. The price of billets and rods is now held at about the import price, or possibly a dollar or two per ton over the import price, as the independent manufacturers of rods and wire will pay $1 or $2 per ton more to purchase their material in this country rather than to order it from Germany or any other foreign country, on account of the number of months it takes to make deliveries on imported material. I think every independent wire and fence manufacturer in the United States would hail with pleasure the removal of the duty on billets and rods, and with the numerous independent manufacturers in this country the competition would be such as to reduce the price on the manufactured article, make a better product, and at the same time allow them to make a reasonable profit, which they are not now getting.

The iron industry in the United States does not need any protection, as the manufacturers in this country export large amounts of steel annually, and import nothing of consequence except special steels and iron not produced in this country. I was advised about a year ago by the president of one of our largest independent wire mills, who are purchasers of wire rods, that he is interested in a contracting firm of New York City who purchased a quantity of steel rails for a railroad in the Philippine Islands from the United States Steel Corporation. The mill price on those, after deducting the transportation charges, figured $18 per ton, while their pool price and the price they are getting for domestic purposes is $28 per ton. About three years ago there was a break in the billet pool and prices went off to $19.25 per ton, f. o. b. Pittsburg. It seems to me that $20 would be a good fair price for billets and about $24 per ton for rails, rather than $28 for both. I am inclosing herewith an article recently cut from the New York Commercial relative to this billet pool. You will notice by this that in order to save a break in the pool the steel corporation began buying up billets in the open market to stimulate prices. They have done the same thing from time to time with pig iron. The price is also abnormally high on this commodity. It is now controlled by agreements, but if there happens a break in the market, they will go to buying it to keep the price up. I was reliably informed two or three years ago that the steel corporation made a large five-year contract with one of our largest independent rod and wire manufacturers in the country to furnish them their billets. The contract is based on the market price of pig iron, and the corporation's price to this concern is based on a sliding scale and goes up and down with the market on pig iron; therefore, in order to keep up the contract price on billets to this independent concern, they evidently do all they can to keep up the price on pig iron. I believe the contract price to the independent concern was made on a basis of $19.25 per ton, but as pig iron has advanced considerably since that contract was made they are no doubt paying $21 to $22 for their billets, but it is stated that the steel corporation shoved up the price of pig iron immediately following this contract for the purpose of shoving up the contract price with this independent wire concern.

In case Senator LA FOLLETTE is not successful in putting through his bill to have a tariff commission, I would recommend that you amend your bill to include the removal of the duty on billets and rods as well as on wire. The removal of the duty on billets would be equally as beneficial to the independent sheet manufacturers, of which there are quite a large number. You would then get the support from those independent manufacturers, but with your present bill; I do not see where you would get any support except possibly from the consumers. I trust that you will give this matter due consideration and do for the independent manufacturers what you are trying to do for the consumers and thereby help both.

Yours, very truly,

J. M. DENNING.

[The American Artisan and Hardware Record, March 7, 1908.]

A FENCE-WIRE COMPLAINT.

Advices from Washington, D. C., to the American Artisan state that a bill seeking the removal of the duty of 45 per cent upon barbed or woven wire has been introduced in Congress by Representative HAUGEN, of Iowa. Mr. HAUGEN, it is stated, claims to have the support of the

Secretary of Agriculture in an effort to bring the fence-wire trust to terms and insure a better quality of wire for the farmers of the United States. He is said to have stated that the farmers complain of the quality of wire rather than its price, and asserts that fence wire now used on American farms is brittle and short lived, and that as a result the maverick population is growing on the Western plains and stock are straying from one ranch to another.

The abolition of the duty, he believes, will result in a better class of wire being turned out in this country in order to meet foreign competition.

The foregoing item was published in the American Artisan under the date of February 22, since which time there have come to us numerous letters from wire and fencing concerns that seem to have a distinct bearing upon the subject, and are therefore interesting in this connection. We take pleasure in submitting herewith extracts from them:

An Eastern wire company writes:

"We do not manufacture barb wire or fence wire. We are under the impression, though, that if parties will pay for first quality of wire they will get it. The general tendency, however, is to look for something cheap, and apparently when manufacturers furnish the grade of material they sell they are condemned because the material is not of a higher order. We do not care to have this used in your publication in connection with our name."

The Indiana Steel and Wire Company writes:

"In our opinion it would be an injustice to take the duty off of wire and allow it to remain on the raw or partly finished material, as this would enable our great trust to rid itself of competition in a very short time. While we have a great many wire mills in this country, yet we have but few who produce their own ore and billets. For same they have to depend on those producing their own ore and billets. If barbed and plain wire were put on the free list and raw and partly finished material allowed to remain where it now is, every so-called independent mill would have to close at once. It is generally supposed that the price of finished products governs the price of raw material, but since the days of trusts and combines conditions which used to govern have no significance. In regard to quality of galvanized wire, will say it is poorly protected, but is made as good as the price will permit. They say competition is the life of trade, but it is also the death of quality, in many cases. It's an easy matter to make wire better, but it would be next to impossible to sell it in competition with the cheaper grades at the price one would have to ask for it. In changing the duty on any of the great commodities of our country, a thorough consideration should first be given and all parties affected taken into consideration. We approve any steps taken to better the quality of American goods.

"Yours, truly, INDIANA STEEL AND WIRE COMPANY.

"MUNCIE, IND., *February 24, 1908.*"

The Frost Wire Fence Company writes:

"Regarding the quality of wire now produced in the United States for fencing purposes, will say that in our opinion it does not compare with the wire produced eight to fifteen years ago.

"Hundreds of our agents have reported that the galvanizing is not satisfactory. We know this to be a fact from personal observation. Possibly the removing of the duty on plain annealed as well as galvanized wire will remedy matters more than anything else, as it will enable the smaller manufacturers to buy better goods at satisfactory prices from foreign manufacturers.

"Yours, very truly, M. H. FROST.

"CLEVELAND, OHIO, *February 24, 1908.*"

Adams Steel and Wire Company writes:

"We would say that while it is unquestionably true that the quality of woven and barbed-wire fencing is not as good as it should be, the main reason, we take it, is that the parties using the fencing, as a rule, are not willing to pay for the better class of goods and insist on buying the cheapest to be had, so that where one manufacturer puts up goods first class in every respect and consequently has to charge a higher price for the same, the consumer will almost invariably go to the next dealer and buy the cheapest class of goods. This, of course, makes the quality poorer, and until the consumer is willing to pay for first-class material there is no remedy that we can see. It is simply a case of supply and demand. The consumer demands something cheap and the manufacturer furnishes it.

"Very respectfully, ADAMS STEEL AND WIRE WORKS,
"W. J. ADAMS, *President.*

"JOLIET, ILL., *February 24, 1908.*"

The Crawfordsville Wire and Nail Company writes:

"While galvanized wire will not stand for galvanizing as it did several years ago, the consumers, or users, are to a large extent to blame for the present condition. They were 'eternally harping' for cheap wire, and in order to cheapen the wire we had to cheapen the galvanizing.

"When galvanized wire was first made it was drawn through a sand wipe and would get a very heavy coat of spelter, while at the present time an asbestos wipe is used, and also a lever wipe. The lever wipe takes off the greater amount of spelter that the wire takes on going through the spelter pan, while with the asbestos wipe the galvanizing is some heavier.

"We think that you will also find that the small manufacturers who do not care for a large tonnage are turning out a better grade of wire than the big mills. We have had no complaint on our product, and owing to the fact that our mill runs twenty-three hours out of twenty-four the year round is surely proof that the material is all right.

"We can not see that the 45 per cent duty off wire fence would help out in any way, as the foreign make of wire is not any better than the wire made in this country, and the removal of the duty would only tend to lower the wages of the laboring man, as we think the manufacturers would try to secure as much out of their products as they are at the present time.

"Yours, truly, CRAWFORDSVILLE WIRE AND NAIL CO.,
"C. D. VORIS, *General Manager.*

"CRAWFORDSVILLE, IND., *February 24, 1908.*"

The Up-To-Date Manufacturing Company writes:

"In our opinion the removal of duty on wire in the United States is about the only thing that will ever get us back to a good grade of galvanized wire. We do not make wire, but we use a great deal of it, and we have tried everything in our power to get a good grade. We even offer to pay a premium on extra galvanizing if we can get it, and in cases where we have paid it we find when we get the wire that there is not much difference between it and the other wire.

"We only wish that the Congressmen of our country would get in line with Mr. HAUGEN and support this bill. The time was that you could get good galvanized wire, that the galvanizing would last for years, but it seems now impossible to get any kind of wire that the galvanizing will last over four or five years and some not that. Wire manufacturers claim it is on account of the price they have to make on it that they have to galvanize it so thin that it does not last longer, but the writer has been connected with the fence business for over twenty years and has bought wire for less price than Agriculture to take this matter in hand and see wat they can do with it. we are paying to-day and got a great deal better quality. There is not much question in my mind but what they make better wire abroad than in the United States, but the duty makes it impossible to import it. We think it is high time for the American Representatives and Secretary of Agriculture to take this matter in hand and see what they can do with it.

"It is true that competition is very strong, but it is also true that the wire trust will sell their wire fence ready made for practically the same price that they will sell manufacturers the wire to make it with. To make a long story short, we would be in favor of taking the duty off of everything that enters into the manufacture of wire fences, and then after you have done that, take the duty off the fence itself—in fact give the American farmer his fence at the very lowest possible price.

"There are not many who stop to think about it, but the fencing in the United States costs several hundred millions of dollars, or more than all the live stock in it is worth, and when you think that the farmer has to replace this fence about every ten years it is easy to see what a hardship it works on him.

"Yours, truly, UP-TO-DATE MANUFACTURING CO.,
"J. H. SROFE, *President and Manager.*

"TERRE HAUTE, IND., *February 24, 1908.*"

A Middle West fence manufacturing Company writes:

"We do not think that the galvanizing is done as well as it was fifteen or twenty years ago, and we have some complaints on account of the wire rusting. We hope the mills will turn out a better quality, although at the low prices at which wire is now sold we do not suppose they can afford to make it much better."

BOLT FROM BILLET POOL WORRIES LARGE MAKERS—POOL ABSORBING PRODUCTS DUMPED BELOW $28 A TON—PIG-IRON MARKET PROCEEDING INDEPENDENTLY OF CLEVELAND MEETING—RAIL MILLS TO START SOON—BELIEVED CAR PLANTS WILL CLOSE—STEEL'S EARNINGS $5,800,000.

PITTSBURG, *February 23, 1908.*

A bolt by the smaller makers of steel billets, which may, or may not, mean total disruption of the billet pool was a move of interest within the week past, while inclination by all pig-iron dealers to disregard official prices and dispose of their metal at what they would get for it formed a rather strong second item of comment. There is scurrying by the corporation and some large independent interests to check the pronounced cut in steel billet rates inaugurated by smaller producers. Unless something can be done and quickly by the big fellows, the good accomplished by the so-called "billet pool" in past years will be nil.

It had been many years since billets sold below $28 a ton, but last week there was a break and one most pronounced. The smaller makers declare they no longer can withstand pressure. They had to have money and they had steel billets to sell, also purchasers to take them. But the purchasers would not pay $28 a ton, which was the price decided on by the billet pool. The little fellows could get $26.75, perhaps $27 for their billets, not $28, so they decided to unload and they did so.

The corporation is now trying to get all the loose billets at the lower prices and it is understood an effort is to be made to check further disastrous price-cutting and efforts will be made to establish another pool.

WHY POOL WAS CREATED.

It has been only a few months since all the steel-billet interests were represented in a secret meeting in Pittsburg when the old billet pool was reorganized and all makers of steel promised to stand for the $28 rate. The meeting was occasioned by the fact that some of the smaller makers were thought to be slipping backward. The old billet pool or "gentlemen's agreement" had not been active in years. There was no need for activity since billets were wonderfully strong and so long as prices remained at or above $28 there was no cause for alarm. The fact that small dealers have broken away and are selling at rates much lower than $28 causes no end of worry among the big fellows.

Mr. HAUGEN. These letters and clippings raise a very important question—that is, Should not the billets and rods be included and be put on the free list? The contention is, if not, we will drive the independent manufacturers—those who do not manufacture the partly finished article—out of business; that the trust dictates prices and controls the output, and that the independent manufacturers are now at its mercy. Nobody wishes to cripple or drive out of business any worthy or legitimate enterprise. I certainly have no such desire. To the contrary, I want to protect them.

Let us see if this objection is well grounded. If we admit that the trust controls the output and prices of billets and rods, and if the independent manufacturers are its customers, the trust will, of course, put the price up to the very highest point, but not so high but that the manufacturers will be able to compete with foreign manufacturers. If it did the manufacturer would have to go out of business, and the foreign manufacturers would sell the wire, and the trust would be without customers for its billets and rods. Therefore, if the price on wire controls the price on the partly finished article, and if we remove the duty on wire and thereby reduce its price, or improve its quality by importing wire, we would then compel the trust to furnish billets or rods that will make wire equally as good as that imported, and also to make a living price to the home manufacturers, such as would enable them to meet foreign competition. It goes without saying that the trust is compelled to protect its customers, or the independent manufacturer, in order to sell its product, and it is not clear to me that placing the wire on the free list will work a hardship to the independent manufacturer.

It is claimed they are now at the mercy of the trust, and in

all probability always will be; but if the duty on the partly finished articles, such as billets and rods, is not needed as protection to labor and worthy and legitimate American industries, but is fostering trusts and monopolies and enabling them to pay large dividends on watered stock, then by all means remove the duty. But before discussing trusts I want to dispose of my first proposition.

The letter and clippings are of high authority, and I take it nobody will dispute the fact that the wire manufactured and sold to-day is much inferior to that manufactured and sold twenty or thirty years ago. Gentlemen, if this is true, and there is no doubt about it; and if by removing the duty, a better quality of wire will be furnished by our domestic manufacturers, or can be imported and sold for the price the inferior domestic wire is now being sold for, then why not remove the duty? But you say that the duty is necessary to protect our home manufactures—that iron and wire is now being imported notwithstanding the high duty. That is true, but that is a special grade of wire, such as is not and can not be manufactured here. Barbed wire and wire fencing are not separately enumerated in the returns of imports rendered to the Department of Commerce and Labor by the collectors of customs, being included with other articles under general heads.

If you will turn to pages 41 and 42 of the report of the Department of Commerce and Labor, Bureau of Statistics, on imported merchandise entered for consumption in the United States and duties collected thereon in 1907, you will find the total as follows:

Imports entered for consumption, year ending June 30, 1907.

Articles.	Rates of duty.	Quantities.	Values.	Duties.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
Iron and steel, and manufactures of:						
Wire rods—						
Manufactures of—						
Tempered or treated or partly manufactured—						
Valued over 4 cents per pound (pounds)	1¼ cents plus 1¼ cents per pound.	1,317.30	*Dollars.* 297.00	*Dollars.* 32.93	*Dollars.* 0.226	*Per cent.* 11.09
Wire: Round iron or steel—						
Valued 4 cents or less per pound—						
Not smaller than No. 13 wire gauge (pounds)	1½ cents per pound	1,629,265.00	52,172.00	20,365.82	.032	39.04
Smaller than No. 13 and not smaller than No. 16 wire gauge (lbs)	1⅝ cents per pound	2,245,992.00	76,607.50	33,689.90	.034	43.98
Smaller than No. 16 wire gauge (pounds)	2 cents per pound	2,200,511.00	79,783.00	44,010.22	.036	55.16
All valued more than 4 cents per pounds (pounds)	40 per cent	9,988,652.00	562,952.00	225,180.80	.056	40.00
Total wire: Round iron or steel		16,064,420.00	771,514.50	323,246.74	.048	41.90
Manufactures of—						
Not smaller than No. 13 wire gauge (pounds)	1¼ cents plus 1¼ cents per pound.	55,942.25	9,385.00	1,398.55	.168	14.90
Smaller than No. 13 and not smaller than No. 16 wire gauge (lbs)	1⅝ cents plus 1¼ cents per pound.	78,730.55	16,571.46	2,165.16	.211	13.07
Smaller than No. 16 wire gauge (pounds)	2 cents plus 1¼ cents per pound.	36,102.25	6,809.92	1,173.34	.189	17.23
All valued more than 4 cents per pound (pounds)	40 per cent plus 1¼ cents per pound.	398,475.90	158,393.76	68,338.44	.398	43.14
Total manufactures of	Dutiable	569,250.95	191,160.14	73,075.49	.336	38.23
Cold rolled, etc., blued, brightened, tempered, etc.—						
Manufactures of—						
Smaller than No. 13 and not smaller than No. 16 wire gauge (lbs)	2½ cents plus 1¼ cents per pound.	83.00	27.00	3.12	.325	11.56
Wire of iron or steel coated with zinc or tin or any other metal—						
Not smaller than No. 13 wire gauge (pounds)	1⅜ cents per pound	12,950.00	221.00	187.78	.025	58.50
Smaller than No. 16 wire gauge (pounds)	2⅞ cents per pound	15,117.00	2,581.00	332.57	.171	12.89
All valued more than 4 cents per pound (pounds)	⅛ cent per pound and 40 per cent.	121,065.00	6,312.00	2,766.93	.052	43.84
Total wire, etc., coated with zinc, etc		149,132.00	9,214.00	3,287.28	.062	35.68
Wire rods—						
Rivet, screw, fence, and other iron or steel wire rods, whether round, oval, flat, square, or in any other shape, and nail rods in coils or otherwise, not smaller than No. 6 wire gauge—						
Untempered or untreated—						
Valued 4 cents or less per pound (pounds)	⅛ cent per pound	39,140,081.00	852,080.00	156,560.34	.022	18.37
Valued over 4 cents per pound (pounds)	⅜ cent per pound	465,409.00	33,341.00	3,490.59	.072	10.47
Tempered or treated or partly manufactured—						
Valued 4 cents or less per pound (pounds)	⅛ cent per pound	141.00	6.00	1.27	.04	21.17
Total wire rods		39,605,631.00	885,427.00	160,052.20	.022	18.08
Wood, and manufactures of, not elsewhere specified:						
Unmanufactured—						
Cabinet woods—						
Box	Free		67,620.00			
Cedar	Free		1,303,779.00			
Ebony	Free		79,222.00			
Granadilla	Free		2,665.00			
Lancewood	Free		1,616.00			
Lignum-vitæ	Free		175,296.00			
Mahogany (M feet)	Free	51,923.72	3,263,739.62		62.86	
Rose	Free		84,531.00			
Satin	Free		5,710.00			
All other	Free		352,361.53			
Total cabinet woods	Free		5,336,540.15			
Pulp woods (cords)	Free	644,167.25	2,806,653.98		4.36	
Unmanufactured, not specially provided for	20 per cent		13,591.50	2,718.30		20.00
Unmanufactured, not specially provided for (reciprocity treaty with Cuba).	20 per cent less 20 per cent.		11.00	1.76		16.00
Brier root or brier wood, and similar wood, unmanufactured, or not further advanced than cut into blocks suitable for the articles into which they are intended to be converted.	Free		346,270.00			
Christmas trees	10 per cent		3,351.00	335.10		10.00
Timber—						
Logs and round unmanufactured timber (M feet)	Free	165,470.43	945,924.28		5.70	
Round, used for spars and in building wharves (cubic feet)	1 cent per cubic foot	130,549.00	25,902.86	1,305.49	.198	5.04
Hewn, squared, or sided, not less than 8 inches square (cubic feet)	1 cent per cubic foot	253,123.83	49,811.78	2,531.24	.197	5.08
Ship timber	Free		164,578.50			

Imports entered for consumption, year ending June 30, 1907—Continued.

Articles.	Rates of duty.	Quantities.	Values.	Duties.	Average. Value per unit of quantity.	Average. Ad valorem rate of duty.
Wood, and manufactures of, not elsewhere specified—Continued.						
Unmanufactured—Continued.						
Lumber—						
Boards, planks, deals and other sawed lumber—						
Of whitewood, sycamore, and basswood—			*Dollars.*	*Dollars.*	*Dollars.*	*Per cent.*
Not planed or finished (M feet)	$1 per M feet	11,777.60	211,967.74	11,777.68	18.00	5.56
Planed or finished on two sides (M feet)	$2 per M feet	1,047.29	12,302.00	2,094.58	11.71	17.03
Sawed lumber, not specially provided for—						
Not planed or finished (M feet)	$2 per M feet	859,339.61	14,623,256.02	1,718,679.33	17.02	11.75
Not planed or finished (M feet) (from Philippine Islands)	75 per cent of $2 per M feet.	25.00	2,155.00	37.50	86.20	1.74
Planed or finished on one side (M feet)	$2.50 per M feet	19,176.90	239,649.28	47,942.38	12.50	20.01
Planed or finished on two sides (M feet)	$3 per M feet	2,777.80	48,348.91	8,333.43	17.40	17.24
Planed or finished on three sides (M feet)	$3.50 per M feet	1.36	34.00	4.78	25.00	14.06
Planed or finished on four sides (M feet)	$4 per M feet	64.65	1,224.00	258.61	18.93	21.13
Planed on one side and tongued and grooved (M feet)	$3 per M feet	5,309.32	83,415.75	15,927.97	15.71	19.10
Planed on two sides and tongued and grooved (M feet)	$3.50 per M feet	897.45	15,482.78	3,141.13	17.26	20.29
Sawed boards, planks, deals, and other forms of sawed cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods not further manufactured than sawed (M feet).	15 per cent	977.73	33,698.44	5,054.77	34.46	15.00
Sawed boards, planks, etc. (from Philippine Islands)	75 per cent of 15 per cent	25.62	2,110.00	237.38	82.36	11.25
Sawed board, planks, etc. (reciprocity treaty with Cuba)	15 per cent less 20 per cent.	8,117.51	330,573.00	39,668.76	40.72	12.00
Ship planking	Free		14,655.00			
Total lumber	Free		14,655.00			
	Dutiable	909,537.84	15,604,216.92	1,853,158.30	17.16	11.88
Clapboards—						
Pine (thousands)	$1.50 per M	294.88	7,391.20	442.38	25.06	5.99
Spruce (thousands)	$1.50 per M	5,727.76	149,609.30	8,591.70	26.12	5.74
Fence posts (number)	10 per cent	208,240.00	16,620.34	1,662.02	.08	10.00
Firewood (cords)	Free	26,088.00	60,911.50		2.33	
Gun blocks for gunstocks, roughhewn or sawed, or planed on one side.	Free		29,333.00			
Handle bolts and shingle bolts	Free		42,435.00			
Hop poles	Free		4,955.75			
Hubs for wheels, posts, heading bolts, stave bolts, last, wagon, oar, and heading blocks, and all like blocks or sticks, roughhewn, sawed, or bored.	20 per cent		18,701.09	3,740.21		20.00
Laths (thousands)	25 cents per M	668,635.89	1,736,525.17	167,159.05	2.60	9.63
Paving posts, railroad ties, and telephone, trolley, electric light, and telegraph poles (number).	20 per cent		570,323.41	114,064.64		20.00
Pickets and palings (thousands)	10 per cent	24,409.79	126,909.23	12,690.93	5.19	10.00
Rattans and reeds, unmanufactured	Free		1,241,316.00			
Shingles—						
White pine (thousands)	30 cents per M	16,727.00	36,445.00	5,018.12	2.18	13.77
All other (thousands)	30 cents per M	867,040.83	1,904,347.77	260,112.33	2.20	13.66
Shooks, sugar box, and packing boxes, empty, and packing-box shooks, not specially provided for.	30 per cent		11,912.31	3,573.69		30.00
Shooks, sugar boxes, etc. (reciprocity treaty with Cuba)	30 per ct. less 20 per ct		1,653.00	396.72		24.00
Staves	10 per cent		145,147.57	14,514.76		10.00
Sticks, joints, and reeds: Bamboo, unmanufactured, India malacca joints, and sticks of partridge, hair wood, pimento, orange, myrtle, and other woods not specially provided for, in the rough, or not further advanced than cut into lengths suitable for sticks for umbrellas, parasols, sunshades, whips, fishing rods, or walking canes.	Free		381,352.20			
Sticks for walking canes	40 per cent		13,941.00	5,576.64		40.00
Sticks for walking canes (from Philippine Islands)	75 per cent of 40 per cent		57.00	17.10		30.00
Sticks for walking canes (reciprocity treaty with Cuba)	40 per ct. less 20 per ct		13.50	4.32		32.00
Total wood, unmanufactured	Free		11,374,925.36			
	Dutiable		20,436,482.55	2,457,614.80		12.03
Manufactures—						
Barrels or boxes containing oranges, lemons, or limes, grape fruit, shaddocks, or pomelos, exclusive of contents—						
Of foreign growth or manufacture	30 per cent		203,892.98	61,167.88		30.00
Of foreign growth or manufacture (reciprocity treaty with Cuba)	30 per ct. less 20 per ct		267.40	64.17		24.00
Of growth and manufacture of the United States	15 per cent		109,088.00	16,363.20		15.00
Barrels, casks, and hogsheads, empty	30 per cent		1,144.05	343.22		30.00
Chair cane or reed, wrought or manufactured from rattans or reeds	10 per cent		567,632.75	56,763.28		10.00
Fiber ware, indurated, and other manufactures composed of wood or other pulp.	35 per cent		1,603.12	561.09		35.00
Furniture, cabinet or house, wholly or partly finished	35 per cent		1,136,613.78	397,814.84		35.00
Furniture, cabinet or house, wholly or partly finished (from Philippine Islands).	75 per cent of 35 per cent		176.00	46.20		26.25
Furniture, cabinet or house, wholly or partly finished (reciprocity treaty with Cuba).	35 per cent less 20 per cent.		705.00	197.40		28.00
Osier or willow—						
Prepared for basket makers' use	20 per cent		39,236.00	7,847.20		20.00
Manufactures of	40 per cent		195,968.30	78,387.32		40.00
Manufactures of (reciprocity with Cuba)	40 per ct. less 20 per ct		6.00	1.92		32.00
Pulp of wood—						
Mechanically ground (pounds)	1/12 cents per pound	235,413,303.00	1,528,975.04	[a] 4,792.86 196,177.73	.006	13.14
Chemical, unbleached (pounds)	1/8 cent per pound	157,977,286.00	2,776,748.65	[a] 3,589.71 263,295.50	.018	9.61
Chemical, bleached (pounds)	1/4 cent per pound	84,122,283.00	2,073,408.00	210,305.74	.025	10.14
Skewers, butchers' and packers' (thousands)	40 cents per M	6.28	10.00	2.51	1.59	25.10
Toothpicks (thousands)	2 cents per M and 15 per cent.	378,439.95	25,901.00	11,453.95	.068	44.22
Veneers of wood	20 per cent		4,587.75	917.55		20.00
All other manufactures of wood, or of which wood is the component material of chief value, not specially provided for.	35 per cent		1,755,811.27	[a] 45.54 614,534.19		35.00
All other manufactures of wood, etc., (from Philippine Islands)	75 per cent of 35 per cent		480.25	126.10		26.25
All other manufactures of wood, etc., (reciprocity treaty with Cuba)	35 per ct. less 20 per ct		9,373.92	2,624.69		28.00
Total manufactures	Dutiable		10,431,629.26	1,927,423.79		18.44
Total wood, and manufactures of	Free		11,374,925.36			
	Dutiable		30,868,111.81	4,385,038.59		14.21

[a] Countervailing duty.

Mr. HAUGEN. You will see by the table on page 42, that of the 569,250.95 pounds of wire not smaller than No. 13 gauge, 398,475.90 pounds was valued at more than 4 cents per pound, and paid a duty of 40 per cent plus 1¼ cents per pound. Of the 149,132 pounds of wire coated with zinc, and so forth, 121,065 pounds was valued at more than 4 cents per pound, and paid 40 per cent duty, and 15,117 pounds of it was smaller than No. 13 wire gauge, and paid a duty of 2.2 cents per pound, while only 12,950 pounds was not smaller than No. 13 wire gauge, and paid 1.9 cents duty per pound. It will be seen, then, that the wire imported is of a very high grade, and does not come in competition with the fence wire manufactured and sold here.

If our manufacturers can and will not furnish the better quality of wire, why deprive the consumer of the privilege of buying it elsewhere? Will anybody contend that the manufacturers are entitled to this protection, or will anybody contend that our manufacturers or laborers need any protective tariff on this article against foreign manufacturers and labor, even with our high-priced labor? Certainly not.

I call your attention to page 7399 of the CONGRESSIONAL RECORD of May 24, 1906:

Mr. UNDERWOOD. Can the gentleman from Pennsylvania name me any steel mill in the world that can make steel rails cheaper than they are made at Pittsburg? Can the gentleman from Pennsylvania name me any iron furnace in the world that can make pig iron cheaper than Birmingham?

Mr. DALZELL. I think not.

Nobody will question this authority. Both are experts and represent districts where the largest manufacturers of these articles are located. If pig iron and steel rails can be made as cheaply here as any place in the world, of course wire can. A large amount of iron is being exported every year and sold in competition with the world, which also goes to show that it can be made as cheaply here as elsewhere. With our advantages in transportation, with our skilled labor, with our improved machinery, with our abundance of ore and fuel, our manufacturers of wire can and would produce wire equally as good and as cheaply as any other country without a protective tariff. They would make less money, as it costs more to manufacture the better quality, but they can make, and will have to make it, if the duty is removed, and that without any hardship to labor or anyone. Even if the trust has to squeeze a little water out of its stock, what of it? The trust has robbed the consumer by imposing on him high prices and furnishing a poor quality of wire, and the consumer is now entitled to some consideration.

More than 400,000 tons of this wire is manufactured and sold every year. The average price at the mills is estimated at about $52.21 per ton, the total value being $22,511,149.43. Add to this the cost of transportation and the charges and profits to the merchants and jobbers, and you will easily have thirty millions of dollars. This means that if a superior quality of wire can be made here or imported and sold for the same price that the inferior wire is bought and sold for now the farmers are taxed more than $20,000,000 every five years by reason of the fact that an inferior quality of wire is being sold them.

If our manufacturers can and will furnish us with a good quality of wire, I would not object to a duty on wire in order to protect them against foreign cheap labor, if such protection is needed; but if the manufacturers of wire have, and I understand many of them have, combined and formed a trust, watered their stock, and entered into a conspiracy to defraud the consumers by manufacturing and selling an inferior wire at a price equal to that which a good quality can be furnished for, then that is a different thing, and there can be no justification for it. Manufacturers have and can make as cheap and as good wire as manufacturers in other countries, and as good as was made here twenty years ago; and the purchaser is entitled to just as good wire as is made in other countries, especially if it can be made as good here as elsewhere. If the manufacturers insist on making and selling, at present prices, an inferior wire when a better quality can be made and sold as cheaply as imported wire can be made and sold, then they are not entitled to protection.

It has been the policy of the Republican party to encourage manufacturers by giving them a protective tariff, even if they were making an inferior quality and charging higher prices, but that was with a view of stimulating competition and encouraging industries and with the expectation that in time the articles might be perfected. This is entirely a different proposition. We know that the manufacturers know how to make a durable, serviceable, and economical article, but do refrain from doing so because the inferior article can be made cheaper, and because outside competition has been cut off by reason of a protective tariff, and because the farmers and consumers have to buy their make. This is of course unjust and indefensible. The same holds true to a large extent as to steel sheets, railroad irons, billets, rods, and various other irons.

Gentlemen, the iron and steel trusts and the iron and steel schedules need attention. What is true as to the quality of wire manufactured and sold is probably true as to all kinds of steel—sheets, wire and iron nails, construction and bridge iron, railroad iron, and other iron. This is undoubtedly the cause of so many accidents on railroads, and a loss of so many lives. I have confined my amendment to wire fencing, as the investigation of the Department was confined to wire fencing, and I did not feel justified in including items of which I had no special information.

The principle of protection, as before stated, is to protect American industries and American labor, but not to foster and protect fraud and deception, nor is it to build up or to foster an industry that is not or can not be made a success in this country, or one that has ceased to exist. As an illustration, take coffee. We produce no coffee, and it can not be produced here, hence it is admitted free of duty. On the other hand, sugar is a necessity, and of equal importance, but sugar can be and is produced in this country, but not as cheaply as in other countries. We manufacture sugar from sugar beet. Cuba, on the other hand, makes sugar out of cane. The cost of seed to plant an acre of sugar beet is about $3, besides the ground must be prepared for seeding; it requires more cultivation; the expense of topping and harvesting is greater, which makes the cost of growing it much greater than that of sugar cane. In Cuba the cane is planted once in nine or ten years; it requires but little cultivation; an acre of ground in Cuba will yield from one-third to one-half more sugar than an acre of sugar beet in the United States. The cost of labor in Cuba is from 30 to 50 cents per day; here from $1.50 to $2.50; and in order to protect our sugar producers in this country, the Republican party placed a tariff on sugar of $1.65 per hundred.

Again, years ago, when our supply of logs was believed to be inexhaustible, in order to protect the labor and manufacturers, a tariff was placed on lumber. Logs were and are admitted free. Now conditions have changed. Our supply of logs is practically exhausted; and when the raw material is exhausted, and no raw material is or can be imported, that industry must necessarily cease. Therefore, according to Republican doctrine, there is no need of duty on lumber when that industry ceases to exist; and according to the reports and statements made by our Forester, Mr. Pinchot, our supply of logs, especially white pine, is practically exhausted. And I take it that if the tariff is to be revised, the lumber schedule will receive consideration and undoubtedly should be put on the free list.

The same is true as to wood pulp and paper. This is a matter that is receiving much attention, and a matter that is worthy of the most careful consideration. I listened with much pleasure to the eloquent and very able speech made by the distinguished gentleman from Massachusetts [Mr. TIRRELL], who is a trustee of an estate and a director in a large pulp company. He is therefore in a position to know and is an authority. His speech gives much valuable information and throws much light on the subject. And with the permission of the House, I will read from the CONGRESSIONAL RECORD of February 15, 1908, pages 2107, 2108, 2109, 2112, and 2113, a part of what he had to say as to the tariff on pulp and the need of such tariff, how paper is made, as to the supply of wood, and the cost of manufacturing paper:

We have up to this time failed, as far as I can learn by reading the comments in the newspapers or by the addresses on this floor, to ascertain one single reason why it should be done. No facts, no data, have been given. It seems to have been assumed as a self-evident proposition. Therefore, inasmuch as I myself, as trustee of an estate and a director in one of the large pulp companies of this country, have a certain personal interest in the matter, it seems to me my duty to exploit the subject.

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Now, in order that this may properly be understood, it is necessary that I should in a sort of academic way state how paper is made. This may seem to be a matter of supererogation, and yet you can not understand the paper business and the pulp business unless you know how paper and pulp are made. Pulp is made out of the fiber of wood. There is nothing in paper, except coloring matter, but wood. There is nothing but wood in the paper which I hold before you. This wood, reduced to fiber by a mechanical process, is placed in an immense tank of water, and then the fiber is taken off by a paper machine, on a cloth which revolves about rollers until it comes out a sheet, and to come out a sheet, which is absolutely indispensable, it is necessary that the fiber should be matted together, should hold together. The only wood thus far found, even under the inventive genius of the American people, whose fiber is sufficiently long and strong and of the proper color to mat together and make news paper is spruce. You can make paper out of cottonwood and hemlock and pine. You can make it out of cornstalks, but you can not make it so that it will sell, because under the present machinery and processes by which paper is made you have got to have a long, strong, tenacious fiber, and the only wood that is known which produces that fiber is spruce wood. Now, in making news paper that sap is not taken out of the fiber. Therefore, when that fiber is matted together it has all the moisture in it.

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Mr. TIRRELL. I was speaking about the subject of spruce in New York. More than one-half of the news paper of this country is made in the State of New York, and I will say to the gentleman, in addi-

tion, that the increase in the manufacture of paper has been so wonderful, indeed marvelous, in this country since 1870 that the United States is now making more paper—almost as much paper as the rest of the civilized world.

Mr. DRISCOLL. Print paper?

Mr. TIRRELL. Yes. In New York the State has prohibited the cutting of timber of any kind for twenty years over a territory covering 4,000 square miles. There are 3,588,803 acres of available spruce timber lands in New York. But the Adirondack Park reservation contains 2,807,760 acres of this, leaving 781,760 acres only for pulp supplies. Now, when we get to Michigan, Wisconsin, and Minnesota, we find there that spruce wood has become very largely denuded, and they are absolutely obliged to run their paper mills in those States by receiving their supply of paper from the Province of Quebec. They have been very wasteful, apparently, in the natural supply in their own country, but whether wasteful or not, those great mills are now dependent upon a foreign country to keep the mills going. I speak of these things in order to come to the most important, and really the only important, consideration in connection with the tariff on wood pulp. There were 2,800,000 cords of spruce wood from the United States used last year in making pulp.

There was obtained from Canada 736,000 cords, according to the official returns, but according to the estimates made in Canada, from 800,000 to 1,000,000 cords of pulp logs were exported to this country, necessary to keep our mills going; and the importance of maintaining our hold in order to secure wood to manufacture paper from was so great that paper manufacturers, than whom there are no more alert, far-sighted, and prophetic business men in the country, early saw that in order to conserve the spruce supply of the United States, not destroying small timber, but only cutting it out as it ought to be done so that the forest would replace itself, they must have supplies from the other side of the border on which to draw, not wholly, but only partly, so that they could properly cut down the spruce on the timber lands which they own, located in the United States, to supply the necessary deficiencies from the timber exports from the Province of Quebec. The importance of the tariff, therefore, in regard to the maintenance of this great industry in our country—and there are 108 paper and pulp mills in the State of New York alone, and New York is dependent to run these mills upon the spruce which they receive from the Dominion of Canada, and will become more and more so as the years pass by—in order to maintain those mills, to keep those mills going, it was not necessary to have a little picayune tariff of 15 per cent. That does not amount to anything; that is only one-third of the average tariff rates of the Dingley bill. There is not a paper mill in the United States but what could successfully maintain its competition with the Canadian mills if that little tariff of 15 per cent was the only consideration. Our paper sells higher and is better than any paper made on the other side of the line. We get better prices for it in England and on the Continent than they can get for Canadian paper, because it is better made and of higher quality, and the paper manufacturers of the United States, if that was the only thing connected with the tariff, would come in here and request with all celerity and, as the eloquent gentleman from Missouri said, let any of these bills engineered by the "big five" go into immediate enactment.

The little joker, as the gentleman from Wisconsin said the other day about the Standard Oil tariff, the little joker to the tariff of 15 per cent, is what is needed and what has preserved this industry in our country.

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But they attached this provision to that tariff so that in case Canada should impose an export duty upon logs by what is known as a "countervailing duty" our Government could impose an equal duty upon any pulp or paper if they attempted to import or sell it in this country. That, gentlemen, as I now shall endeavor to show, has been the sole salvation of the paper mills of New York, and, if continued, will be the salvation of the paper mills of the country in the years to come. In Canada, if anywhere in the world, is the inexhaustible supply. In Ontario alone the pulp area is 80,000 square miles, or approximately 51,000,000 acres, to say nothing of greater areas still in Quebec, Labrador, and the great Northwest.

Mr. BONYNGE. Is there any tariff on the spruce wood?

Mr. TIRRELL. No.

Mr. GAINES of Tennessee. How would the export tax affect the value of the log on this side?

Mr. TIRRELL. Logs are admitted free. There is no export duty. I will now proceed and inform the gentlemen and the House what the condition is that is confronting us in regard to this great industry. And, gentlemen, right upon that point I want to give you a few figures as to the extent of it. The gentleman from Maine [Mr. LITTLEFIELD] told me a few minutes ago that one-third of all the capital in that great State which was invested in manufacturing enterprises was invested in the paper and pulp industry. The product of the pulp and paper mills of this country amounts to over $200,000,000. There are $300,000,000 of invested capital, and $32,000,000 yearly paid in wages.

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Mr. GAINES of Tennessee. Will the gentleman tell us how many companies are in this International Paper Company?

Mr. TIRRELL. Twenty-four.

Mr. GLASS. Will the gentleman tell me whether a newspaper publisher can not get a rate from any of these so-called "independent" companies of the country?

Mr. TIRRELL. That statement has been absolutely denied time and time again——

Mr. GLASS. Now, I am a newspaper publisher and I assert here you can not get a rate from an independent company.

Mr. TIRRELL. I know the gentleman is entirely mistaken in his position; I do not care whether he publishes a paper or not.

Mr. GLASS. I publish two, and I avow here I can not get a quotation from a so-called "independent" mill in this country.

Mr. TIRRELL. I decline any further to yield to discuss the question. I want you to bear these things in mind. There is an increase in labor cost between 30 and 40 per cent, which is one-third of all that is paid out in the mill itself, and two-thirds, if you reckon all the labor that goes into paper, going back to the forest where the timber is cut.

Mr. HAUGEN. While I do not intend at this time to go into an extensive discussion of the wood-pulp or paper question, I wish to say, if it is true, as stated by the gentleman from Massachusetts [Mr. TIRRELL]—and there is no question about that, as it comes from high authority—that labor has only advanced from 30 to 40 per cent, and if material (wood pulp) has only advanced from 30 to 40 per cent, then the average increased cost is only about 25 per cent. If, as contended by some, there is a trust, and there is no doubt about that, and if quotations can not be had by independent mills, as stated by the gentleman from Virginia [Mr. GLASS], and if it is true, as stated by the gentleman from Massachusetts [Mr. TIRRELL], that the product of the pulp and paper mills of this country amounts to over $200,000,000 annually, with only $300,000,000 invested capital and only $32,000,000 annually paid in wages, which is claimed is one-third of all that is paid out, or one-third of the cost, then the total cost is only ninety-six million and the net profits are more than one hundred and four million. If our supply of pulp logs is exhausted, and if 736,000 cords of pulp wood has to be imported annually, and if our paper mills are dependent upon foreign countries to keep our mills going, and if the 15 per cent duty is not needed, then there can be no question but that the 15 per cent duty, or $6 per ton, on paper and $1.63 on wood pulp should be removed, certainly to the extent recommended by the President in his message, a part of which I will read:

WOOD PULP AND PAPER FREE.

I am of the opinion, however, that one change in the tariff could with advantage be made forthwith. Our forests need every protection, and one method of protecting them would be to put upon the free list wood pulp, with a corresponding reduction upon paper made from wood pulp, when they come from any country that does not put an export duty upon them.

And I would add "or on logs or pulp wood."

In conclusion let me say that I believe and contend that inasmuch as American wage-earners and American capital help to maintain and contribute to our national prosperity, growth, and greatness, they should be given protection against foreign manufacturers and producers who pay no taxes here, who pay less for labor, and who can afford to sell for a less price by reason of cheap labor. But that does not imply that there should be a tariff on all products, certainly not on those which do not need protection, or such as will foster and protect fraud, deception, trusts, monopolies, and combinations. Every Republican tariff act has contained a large list of articles on the free list. If you will turn to pages 194 to 203, volume 30, United States Statutes at Large, you will find that the Dingley Act contains a free list of more than 200 articles and classes of articles.

As before stated, I am a protectionist, but in view of the existing trusts, monopolies, combinations, high prices, and the conditions of our forests, I believe that the tariff schedules, such as billets, wire rods, steel sheets, lumber, wood pulp, and paper, should receive immediate attention and the duties modified if not totally removed. And until the trusts manufacture a fence wire and furnish the American consumer with a better quality, a more rust-resisting wire, a quality equally as good as that furnished by other countries, or as good as that manufactured here years ago, greater in efficiency and economy than that which it is now manufacturing and selling, I favor the admittance, free of duty, wire suitable for this purpose.

Mr. GOLDFOGLE. Mr. Chairman, I ask unanimous consent to extend remarks in the RECORD upon the subject of American passports.

Mr. PAYNE. I demand the regular order.

The CHAIRMAN. The regular order is demanded by the gentleman from New York.

The Clerk read as follows:

REVENUE-CUTTER SERVICE.

For amount required to be added to appropriation expenses, Revenue-Cutter Service, 1908, to carry out the provisions of acts of April 16 and May 11, 1908, for the remainder of the current fiscal year, $54,227.55.

Mr. BENNET of New York. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, after line 21, insert: "Hereafter the salary of each assistant appraiser of merchandise at the port of New York shall be at the rate of $4,000 per annum."

Mr. TAWNEY. Mr. Chairman, I desire to ask the gentleman from New York if this is the same rate——

Mr. SHERLEY. I reserve the point of order.

Mr. TAWNEY. I will ask the gentleman if this is the same rate carried in the bill which has been reported from the Committee on Ways and Means to the House?

Mr. BENNET of New York. It is the same rate the salaries have always borne to the appraisers' salary, reported from time to time. Last year it was $3,500. The appraisers' salaries were raised on this bill last year from six to eight thousand, and this is to give the assistant appraisers the same rate, preserving the proportion between the salaries that they have always had.

Mr. BUTLER. Is this in favor of New York alone?

Mr. BENNET of New York. The assistant appraisers at the port of New York have always had a salary of 50 per cent of that which was given to the appraisers. Last year the salary of

the appraisers was raised from $6,000 to $8,000, and by this amendment the assistant appraisers would get the same proportion.

Mr. GAINES of West Virginia. The point of order has been reserved. I make the point of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

Judgments: For payment of the judgments, including costs, against the District of Columbia, set forth in House Document No. 880, of this session, $20,848.90, together with a further sum sufficient to pay the interest, at not exceeding 4 per cent, on said judgments, as provided by law, from the date the same became due until the date of payment.

Mr. JOHNSON of South Carolina. Mr. Chairman, I move to strike out the last word, for the purpose of getting some information. On page 23 there is an appropriation of $20,000 for the purpose of paying judgments against the District of Columbia. Why should the money be appropriated out of the Treasury to pay judgments against the District of Columbia, and not the usual provision that one-half of it at least should be paid out of the revenues of the District?

Mr. TAWNEY. I will say to the gentleman that if he will turn over to page 24 he will find that all of these items are paid one-half out of the revenues of the District and one-half out of the Federal Treasury.

Mr. JOHNSON of South Carolina. That is all right; I did not see that provision.

Mr. TAWNEY. This is a series of provisions relating to the District of Columbia, and the last paragraph states the proportion that is to come out of the funds of the District and of the Government.

Mr. JOHNSON of South Carolina. I withdraw the pro forma amendment.

The Clerk read as follows:

For increased pay of officers and enlisted men of the Army, under the provisions of the Army appropriation act approved May 11, 1908, $1,250,000.

Mr. HAY. I move to strike out the last word. I would like to ask the gentleman from Minnesota if this paragraph just read provides for the additional pay for the Army?

Mr. TAWNEY. No; I do not know what paragraph the gentleman is referring to. Is it the first paragraph under "military establishment?"

Mr. HAY. It is the first paragraph on page 25, "increased pay of officers and enlisted men."

Mr. TAWNEY. That is the amount made necessary by the increase of pay of officers and men authorized at this session.

Mr. HAY. The sum appropriated is $1,250,000, and it is for the fiscal year from the 11th of May until the 1st of July.

Mr. TAWNEY. From the 11th of May until the 1st of July the increased pay authorized by the last military appropriation act is $1,250,000.

Mr. HAY. So that for the whole year it will be $10,000,000?

Mr. TAWNEY. Yes.

Mr. HAY. And the $7,000,000 carried in the Army appropriation bill will not be sufficient by $3,000,000 to meet the increase made by that bill, and there will be a deficiency next year of $3,000,000 on that item alone.

Mr. TAWNEY. I think the gentleman is entirely correct, for the reason that this estimate for the remainder of this fiscal year is made by the Department under the law which we passed at this session of Congress as they construe it. Now, that amount will meet the requirements of that law for about forty-five days. And if it takes $1,250,000 to meet the requirements for forty-five days, the gentleman can easily estimate the amount required for the year.

Mr. HAY. I have figured it up, and there will be a deficiency of $3,000,000 at the end of the next fiscal year.

The CHAIRMAN. Without objection, the formal amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

BUREAU OF SUPPLIES AND ACCOUNTS.

For expressage, fuel, books and blanks, stationery, advertising, furniture and interior fittings for general storehouses and pay offices in navy-yards; coffee mills and repairs thereto; expenses of naval clothing factory and machinery for same, postage, telegrams, telephones, tolls, ferriages, yeoman's stores, safes, newspapers, ice, and other incidental expenses, $10,000.

Mr. BURLESON. Mr. Chairman, on April 2 I addressed the House in connection with my amendment to the agricultural appropriation bill intended to abolish gambling in cotton on the exchanges, and in my remarks I made specific reference to the standing of New York as a cotton market. Numerous comments have appeared in the public press on my remarks, criticising them in certain particulars. I now wish to refer to some of these comments and to prove by statistics such of my former statements as have been criticised.

I will first read an editorial from the New York Journal of Commerce and Commercial Bulletin of April 18, as follows:

SYSTEMATIZING THE COTTON TRADE.

Among the many subjects before the annual convention of the National Association of Cotton Manufacturers in Boston, as well as before gatherings of cotton growers in the past, that of systematizing the trade in cotton on a more satisfactory basis takes a prominent place. The prevailing dissatisfaction with the methods of the exchanges at New York and New Orleans, which tend to excess in speculation, is causing an agitation which is likely to lead to some radical change. If the exchanges do not take the lead in the needed reforms they are liable to be superseded altogether as a leading agency of the business of cotton trading. They have not only been under criticism and subject to undiscriminating denunciation in recent years, but have been undergoing an official investigation of which the report is still somewhat anxiously awaited, while Congress has been importuned to take action which would practically put them out of business. The New York Cotton Exchange has been particularly under fire of the growers and has few defenders among manufacturers, on account of the manner of its dealing in options and futures, which is often characterized as sheer gambling on the fluctuation of prices which is largely manipulated by the traders.

Conditions in the cotton trade have changed a great deal in recent times, and the methods of handling it have not kept pace with requirements. Planters do not as in former times depend upon marketing the crop promptly in the picking and ginning season in order to raise money to pay debts, and are not so much at the mercy of middlemen. They are establishing warehouses quite extensively for storing the product and distributing their sales more generally over the months following the harvest season. The through bill of lading from centers of production in the cotton region to destination in manufacturing districts or abroad has greatly lessened accumulation at distributing points. Cotton for export goes largely from southern ports and that for New England factories goes on through bills to the purchasers, and there is little "spot" cotton disposed of in New York by the traders. Mr. BURLESON, in supporting his bill, intended to put a stop to speculating in futures, which he has offered as a "rider" on the agricultural appropriation bill in the hope of thus getting it through, quoted figures the other day purporting to show that while 205,859 bales of cotton were received in New York in 1900–1901, the number has decreased gradually and was only 23,108 in 1906–7. Nevertheless, over 100,000,000 bales were sold on the exchange last year, and the Texas Congressman charged that the cost of these speculative operations in commissions, interest on margins, and other expenses amounted to many millions which must indirectly come out of producers or consumers or both.

Mr. MacColl, in his address before the convention in Boston advocating the establishment of an exchange there, was severe in his criticism of prevailing methods and favored a plan like that at Bremen, where the exchange membership is made up of merchant dealers and manufacturers and there is no trading in futures. The claim is made that the prices are successfully established through the relation of supply and demand and kept from undue fluctuation without the fever of speculation that prevails where there is so much dealing in fictitious transactions and so little interest on the part of the traders in actual cotton for use in manufacturing. The most serious complaint against the New York Exchange has been due to the multiplicity of grades, allowing deliveries on contracts of cotton that is of no use to manufacturers and failing to supply what they want, with a settlement of differences which are fixed for an entire year. In the great bulk of cases selling for future delivery means no delivery at all, and much practically worthless cotton passes for nominal delivery like counters in a gambling game.

The New York Exchange has been recognizing the need of reform in cotton trading and especially in the rules of exchange dealing and has somewhat modified its range of grades for delivery which formerly numbered about thirty. Its committee has been advocating a system of certification of cotton in warehouses in the South, guaranteeing grades and quality, and dealing in certificates or warrants on the exchange, which shall call for the grades required, with a display of samples here according to which deliveries shall be made to purchasers. There seems to be in this suggestion the germ of an improved system and Mr. MacColl appeared to approve of it but claimed that the place for working it out was not New York but a city in New England, "where two-thirds of the spindles of the country are located and 2,500,000 bales of cotton are annually consumed." "It is in New England," he said, "that most of the finer class of goods are made, and especially as regards staple cotton a central market would be of great advantage." This is plausible, but with a properly developed warehouse and certificate system the chief exchange might be more advantageously located at the financial and banking center than at a city about which the manufacturing interests center. The trader, as the intermediary between the producer and the consumer, the medium for bringing demand and supply together and adjusting their relation in the fixing of price, can hardly be eliminated. The mechanism of exchange is necessary, and properly managed is an economy in business. In the cotton trade it has got out of order and in bad adjustment and needs to be better adapted to its purpose, but it can not be safely cast aside.

This editorial was followed on the 21st by a letter addressed to the editor of the New York Journal of Commerce and Commercial Bulletin from Mr. Alfred B. Shepperson, which reads as follows:

COTTON AT NEW YORK.

THE IMPORTANCE OF THE METROPOLITAN MARKET IN ACTUAL DEALINGS.

Editor of The Journal of Commerce and Commercial Bulletin.

SIR: An editorial in the issue of 18th instant of your valuable journal does such injustice to New York as a cotton market that I beg that you will give space to a brief statement showing the annual receipts, exports, and sales of cotton of New York since 1900 and the number of bales delivered on "futures" contracts each season during the same period.

It is true that of what statisticians call "net receipts" only 23,000 bales were received in New York during the year ending August 31, 1907. To avoid counting the same cotton more than once in the statistics of receipts it is the unvarying custom to count the cotton as "net receipts" at the port it first reaches. On its arrival at other ports it is counted in what is known as "gross receipts." From its geographical position it is evident that all cotton reaching New York by water must have previously arrived at some other port and been counted in its net receipts. If a lot of cotton should be shipped from an interior town of

South Carolina to Boston by way of steamer from Charleston to New York and thence to Boston it would be counted in the "net receipts" of Charleston and in the "gross receipts" of New York and Boston. Any other course would result in the same cotton being counted three times in the commercial crop.

Some recent speeches in Congress and the editorial in your paper of 18th instant would create the very erroneous impression that New York received and handled only 23,000 bales of cotton in the year ending August 31, 1907. The files of the Journal of Commerce and Commercial Bulletin show that 480,000 bales of cotton were actually exported from New York to Europe and the East during that season, and, of course, it must have been received first. The receipts at the southern ports are almost entirely "net receipts," so that the figures of net receipts fairly represent the quantity of cotton received at these ports; but New York gets cotton from all southern ports. According to the official records of the New York Cotton Exchange the receipts, exports, and sales of "spot cotton" at this port for each year ending August 31 were as follows:

	Gross receipts.	Exports.	Sales.
	Bales.	*Bales.*	*Bales.*
1900-1901	1,251,000	633,000	92,000
1901-2	1,207,000	687,000	114,000
1902-3	1,213,000	492,000	123,000
1903-4	1,171,000	494,000	245,000
1904-5	1,439,000	659,000	104,000
1905-6	1,263,000	514,000	226,000
1906-7	1,413,000	480,000	118,000

During the above seven seasons 773,000 bales were sold for spinners and 248,000 for export. The quantity of cotton actually delivered on "futures" contracts during each season since 1900 was as follows:

	Bales.
1900–1901	375,000
1901–2	397,000
1902–3	600,000
1903–4	283,000
1904–5	446,000
1905–6	478,000
1906–7	460,000

The figures for the number of bales of cotton delivered upon "futures contracts," as well as all other statistics in this communication, are from the records of the New York Cotton Exchange.

As a matter of fact the New York receipts and exports and sales of spot cotton have for many years been much larger than those of any other American ports except Galveston, New Orleans, and Savannah in the order named.

I am confident that your sense of justice will induce you to give prominence to this letter in view of the erroneous impression which would naturally be conveyed by the editorial of 18th instant.

Yours, very truly,

ALFRED B. SHEPPERSON.

In compliance with the request contained in this letter of Mr. Shepperson's, the New York Journal of Commerce and Commercial Bulletin, in its issue of April 22, had the following editorial:

NEW YORK AS A COTTON MARKET.

In discussing the subject of marketing cotton the other day we cited from a speech of Mr. BURLESON of Texas, in the House of Representatives, a statement regarding the receipts of cotton at New York, which gave an altogether unfair impression of the importance of the cotton market of this city, without making the qualification or explanation necessary to correct that impression. This was done in a letter from Mr. Alfred B. Shepperson, which was printed in connection with our cotton-market reports yesterday, but lest it escape the attention of some who received the erroneous impression it is only fair to present the main point as conspicuously as the statement of the Texas Congressman was cited.

Mr. BURLESON, in criticising the methods of the cotton exchange, sought to belittle New York as a market for cotton, and in order to show, he said, "exactly how much cotton has been received" here in recent years, he gave figures from "a book prepared by one of the numerous defenders of the New York Exchange and its practices," representing that the receipts in 1906–7 amounted to only 23,108 bales. From this he concluded that "this exchange could not render much aid in marketing cotton if the cotton did not go there." Mr. Shepperson explains that this figure represents only what are called "net receipts," or receipts at the port which the cotton first reaches. It is only what came from the fields directly to New York and does not include that which comes by water from southern ports after being counted as "net receipts" there.

Mr. Shepperson gives figures compiled from the official records of the cotton exchange, which show that the gross receipts at New York in 1906–7 were 1,413,000 bales, which was considerably more than the average for the six preceding years, in which Mr. BURLESON sought to show a heavy decline, being exceeded only in 1904–5. The quantity exported from here was 480,000 bales and the sales of "spot cotton" amounted to 118,000 bales. The quantity actually delivered on future contracts was 460,000 bales. These figures are undoubtedly authentic and show that those of Mr. BURLESON were wittingly or unwittingly quite false in the impression they were intended to convey. New York has for many years ranked next to Galveston, New Orleans, and Savannah in receipts, exports, and "spot sales" of cotton.

Further criticism of my statement and a boast of the standing of New York as a cotton market appeared in an open letter by Henry Hentz, a member of the New York Cotton Exchange, which was published in the New York Journal of Commerce and Commercial Bulletin on April 23. It is as follows:

NEW YORK AS TO COTTON RANKS THIRD AS A SPOT MARKET.

Editor The Journal of Commerce and Commercial Bulletin.

SIR: My partners and I felt very sorry to read in your issue of 18th, on the editorial page, an article headed "Systematizing the Cotton Trade," which wrongfully attacks the New York Cotton Exchange, as shown in Mr. A. B. Shepperson's admirable letter printed in your issue of this date.

The article will be seized upon by men who are ignorant of the cotton trade here as justifying their opinion of the exchange. Our contract is practically the same as those of the New Orleans and Liverpool exchanges. In doing away with the quarter grades the number of grades deliverable here on contracts has been reduced.

Our system is all right. The clamor for delivery of only the grades the spinner of fine yarns wants is nonsense. The buyers in the southern markets have, as a rule, to take round lots, and then select such cotton as will suit their orders for export or for American mills. Our contracts, as you know, permits delivery of any grade between and including good ordinary (white and blue) and fair, also tinged cotton from strict good middling to low middling, and in stained cotton not below middling. The amount of poor staple cotton in the certificated stock is practically nil. During the past season low-grade cotton was in poor demand, because no cotton mill, in selling goods ahead, would risk having them rejected as not coming up to the quality sold, and even now we hear that the same precaution is being taken to avoid the goods being rejected. New York, as shown by *Mr. Shepperson,* ranks *next to Savannah as a spot cotton market.*

I wish to call your attention to the fact that all the interior towns in the South ship cotton on through bills of lading to our eastern mills and to Europe, consequently, as cotton markets, the ports have lost their importance. I much doubt if, with the exception of New Orleans, 10 per cent of the receipts at the other ports is cotton to be sold there. The residue is shipped to the eastern mills and Europe from the railway stations to the ocean steamers; therefore, Mr. Shepperson is right, from the statistics he gave in his letter, in saying that New York *comes next to Savannah as a cotton market.*

When the New York contract in 1872–73 did not permit the delivery of cotton below low middling, the complaints from the South that our contract was a gambling one were loud, that it shut out useful cotton below that grade, the change was made. Now the clamor is raised that low grades are deliverable, which, as stated above, is permitted by the New Orleans and Liverpool exchanges.

As one of the few charter members of our exchange (only seven now survive the 100 in 1870) I take pride in being still connected with it. Very few outside of the cotton trade realize the usefulness of the exchanges, that if they were abolished we should return to the chaotic conditions that existed prior to 1870, when the changes in prices were violent, and failures were plentiful. The cotton exchanges prevent prices from going too high or too low. In 1868 and 1869 cotton in Liverpool ranged from 7¼d. to 13⅜d. No one wants a return to such conditions. The planters then sold before the advance was had.

Very truly, yours,

HENRY HENTZ, of Henry Hentz & Co.

Mr. Chairman, I will first address myself to the claim made by Messrs. Hentz and Shepperson that the gross movements of cotton to New York proves that that market is holding its own in contradistinction to my claim, viz, that the net receipts have been steadily dwindling and showed the decline of New York as a market. I submit a tabulation on the subject which (I think) conclusively bears out my contention and further confirms my position that as a spot market it has fallen into a state of decadence.

It is a well-established commercial fact that merchandise or commodities (of any kind) seek the best markets—those offering the best inducements for profit—and as a logical sequence, stocks tend to converge to such marts.

Inasmuch as strenuous (though, as I think, untenable) objection is urged to using the net receipts, taken from their own statistical tables, as a measure of New York's standing as a cotton market, I will adopt another.

The tabulation I now offer shows the stock of cotton held in New York and New Orleans in the last week in December for the past thirty years and also the percentage said stock was of the entire crop for each year. In order to make more plain the real condition I also submit a table showing same by decades.

Stocks of cotton in New York and New Orleans in last week of December and the per cent of the total commercial crop.

Years.	Stocks in New York.		Stocks in New Orleans.		Crop.
	Bales.	*Per cent.*	*Bales.*	*Per cent.*	*Bales.*
1907	139,000	----------	274,000	----------	(a)
1906	153,000	1.13	404,000	2.98	13,540,000
1905	221,000	1.97	344,000	3.06	11,234,000
1904	104,000	.76	450,000	3.30	13,654,000
1903	68,000	.68	333,000	3.33	10,002,000
1902	159,000	1.49	411,000	3.85	10,674,000
1901	119,000	1.11	341,000	3.17	10,768,000
1900	90,000	.87	375,000	3.63	10,339,000
1899	116,000	1.23	407,000	4.32	9,422,000
1898	84,000	.75	476,000	4.23	11,256,000
1897	124,000	1.11	445,000	3.97	11,216,000
1896	288,000	3.31	470,000	5.40	8,705,000
1895	198,000	2.77	420,000	5.88	7,147,000
1894	130,000	1.32	425,000	4.32	9,837,000
1893	226,000	3.00	379,000	5.03	7,532,000
1892	301,000	4.52	352,000	5.28	6,664,000
1891	328,000	3.64	489,000	5.42	9,018,000
1890	93,000	1.07	329,000	3.79	8,674,000
1889	130,000	1.78	366,000	5.02	7,297,000
1888	189,000	2.72	366,000	5.27	6,939,000
1887	176,000	2.50	403,000	5.72	7,047,000
1886	215,000	3.31	435,000	6.69	6,499,000
1885	206,000	3.13	359,000	5.46	6,575,000
1884	192,000	3.36	425,000	7.45	5,706,000
1883	274,000	4.80	459,000	8.03	5,713,000
1882	112,000	1.61	325,000	4.68	6,950,000
1881	258,000	4.73	396,000	7.26	5,456,000
1880	155,000	2.35	291,000	4.41	6,606,000
1879	157,000	2.73	316,000	5.49	5,761,000
1878	93,000	1.83	220,000	4.34	5,074,000
1877	113,000	2.37	(a)	----------	4,774,000

(a) Official data not accessible.

Stocks of cotton in New York and New Orleans in last week of December and the per cent to the total commercial crop, by decades.

	New York.		New Orleans.	
	Bales.	*Per cent.*	*Bales.*	*Per cent.*
1877–1886 (yearly average)	184,000	3.1	358,000	6.1
1887–1896 (yearly average)	210,000	2.6	400,000	5.1
1897–1906 (yearly average)	124,000	1.1	403,000	3.6

Analyzing these figures what do you find? Take them by decades. In the second decade, 1887 to 1896, a gain over the first is made in New York and New Orleans of about 11 per cent; but the crux comes in the third decade (1897–1906), the latest one, where New Orleans shows a slight gain and New York loses 40 per cent. And this, too, in face of the size of the crop, which jumps from an average of about 7,886,000 to 11,210,000 bales, an increase of over 40 per cent.

Again—or worse still—while the stock of the last decade at New Orleans is larger than that of the first decade by about 11 per cent, that of New York for the corresponding period is 32 per cent less, although the size of the crop rose from an average of 5,911,000 bales to 11,210,000 bales, a gain of 90 per cent.

As stated in slightly different form, the relative position of the average stocks of New York and New Orleans in the three decades has changed 43 per cent against New York during which time the volume of the crop increased 90 per cent.

Can Messrs. Hentz and Shepperson contradict or controvert what is here stated? And do these figures sustain the claim made by them and the New York Journal of Commerce that New York is holding her own as a spot market?

Is it possible that there are no reasons for this? A few years ago cotton firms were bringing cotton to New York to stay there, and against which they banked. Several of these firms retired from business at the end of 1896, when the arbitrary rule of fixing differences in values between grades was adopted; but others were left to continue said operations notwithstanding this uneconomical legislation on the part of the New York Exchange. Just here arises the point. Those pernicious regulations—uncommercial, unjust, and selfish—of the exchange began in 1896, and it is well known that some of those cotton brokers who then retired saw that a blow had been given the exchange and felt that the end was in sight. A mere glance at the stocks in New York after 1896 will serve to show how rapidly and permanently the amount carried there dwindled.

Mr. Chairman, I again insist that the gross movement of cotton to New York does not fairly indicate or measure its standing as a cotton market. Thousands of bales of cotton may pass through there on through bills of lading to mills in the East or for export to Europe; but what bearing does this have on its importance as a cotton market? One might as well claim that Sabine Pass or Port Arthur in Texas are markets for cotton of growing importance because statistics show that the volume of cotton passing through these ports is steadily increasing—this deduction is as logical as the claim put forward by the defenders of the New York Exchange. But, Mr. Chairman, I want to be absolutely fair.

Let me present New York as a cotton market as shown by sales of cotton and exports from that city and New Orleans covering a period of a quarter of a century from 1881–82 to 1906–07. I have compiled a table showing averages of five-year periods and the percentage the sales and exports form of the total crop. The conditions revealed by this table will prove quite interesting, if not enlightening, to the defenders of these exchanges, both of which, by this table, are shown to be falling into a decadent state, and are rapidly ceasing to be of benefit or importance to the cotton trade.

Sales and exports of cotton at New York and New Orleans, total crop and percentage sales and exports at these points form of total crop: 1881 to 1907.[a]

Year.	Crop.	Exports.		Sales.		Total exports and sales.		Percentage sales and exports form of total crop.	
		New York.	New Orleans.	New York.	New Orleans.	New York.	New Orleans.	New York.	New Orleans.
1906–7	13,305,265	480,000	2,072,000	118,000	915,000	598,000	2,987,000	4.5	22.4
1905–6	10,725,602	514,000	1,570,000	226,000	700,000	740,000	2,270,000	6.9	21.2
1904–5	13,697,310	659,000	2,549,000	94,000	953,000	753,000	3,502,000	5.5	25.6
1903–4	10,015,721	494,000	1,762,000	183,000	976,000	677,000	2,738,000	6.8	27.3
1902–3	10,784,473	492,000	2,112,000	123,000	924,000	615,000	3,036,000	5.7	28.2
5-year average	11,705,674	527,800	2,013,000	148,800	893,600	676,600	2,906,600	5.8	24.8
1901–2	9,748,646	687,000	1,954,000	114,000	1,023,000	801,000	2,977,000	8.2	30.5
1900–1901	10,245,602	633,000	2,037,000	92,000	1,001,000	725,000	3,038,000	7.1	29.7
1899–1900	9,507,786	577,000	1,653,000	149,000	1,002,000	726,000	2,655,000	7.6	27.9
1898–9	11,274,840	643,000	1,914,000	97,000	1,003,000	740,000	2,917,000	6.6	25.9
1897–8	11,199,994	764,000	2,384,000	162,000	1,148,000	926,000	3,532,000	8.3	31.5
5-year average	10,395,374	660,800	1,988,400	122,800	1,035,400	783,600	3,023,800	7.5	29.1
1896–7	8,757,964	687,000	1,984,000	270,000	1,054,000	957,000	3,038,000	10.9	34.7
1895–6	7,157,346	698,000	1,619,000	168,000	864,000	866,000	2,483,000	12.1	34.7
1894–5	9,901,251	811,000	2,054,000	112,000	1,129,000	923,000	3,183,000	9.3	32.2
1893–4	7,549,817	793,000	1,637,000	204,000	927,000	997,000	2,564,000	13.2	34.0
1892–3	6,709,365	715,000	1,339,000	189,000	866,000	904,000	2,205,000	13.5	32.9
5-year average	8,013,349	740,800	1,726,600	188,600	968,000	929,400	2,694,600	11.6	33.6
1891–2	9,035,379	792,000	2,163,000	180,000	1,228,000	972,000	3,391,000	10.8	37.5
1890–1	8,652,597	784,000	1,956,000	147,000	1,155,000	931,000	3,111,000	10.8	36.0
1889–90	7,472,511	761,000	1,841,000	459,000	1,034,000	1,220,000	2,875,000	16.3	38.5
1888–9	6,938,290	1,073,000	1,489,000	594,000	864,000	1,667,000	2,353,000	24.0	33.9
1887–8	7,046,833	905,000	1,523,000	448,000	955,000	1,353,000	2,478,000	19.2	35.2
5-year average	7,829,122	863,000	1,794,400	365,600	1,047,200	1,228,600	2,841,600	15.7	36.3
1886–7	6,505,087	841,000	1,475,000	314,000	836,000	1,155,000	2,311,000	17.8	35.5
1885–6	6,575,691	849,000	1,557,000	489,000	1,069,000	1,338,000	2,626,000	20.3	39.9
1884–5	5,706,165	775,000	1,335,000	534,000	980,000	1,309,000	2,315,000	22.9	40.6
1883–4	5,713,200	644,000	1,451,000	422,000	1,162,000	1,066,000	2,613,000	18.7	45.7
1882–3	6,949,756	774,000	1,604,000	506,000	1,385,000	1,280,000	2,989,000	18.4	43.0
5-year average	6,289,980	776,600	1,484,400	453,000	1,086,400	1,229,600	2,570,800	19.5	40.9
1881–2	5,456,048	628,000	1,170,000	514,000	1,233,000	1,142,000	2,403,000	20.9	44.0

[a] The crop figures are as published by the Bureau of the Census and those of sales and exports as published in Cotton Facts by Alfred B. Shepperson.

Mr. Chairman, to the average layman statistical figures are always confusing, and when handled by an adept can be made quite mystifying, but when they are juggled by experts whose interests are endangered they can become, and are frequently used, so as to be grossly misleading.

I am not an adept, neither am I an expert, statistician, but I submit that this table and these figures bearing on the status of New York as a cotton market should be and will prove clear and convincing to all but those willfully blind.

Mr. Chairman, the averages of the actual sales of cotton in New York for the five-year period ending with the year 1887 was 453,000 bales, compared with 148,000 for the five-year

period ending with the year 1907, a loss of 67 per cent. The exports from New York during the earlier period mentioned amounted to 776,600 bales, compared with 527,800 for the last period, a loss of 20 per cent.

The fact should also be kept in mind that the size of the crop increased from an average during the first period of 6,280,980 to 11,705,674 bales for the latter period. This table also shows that the sales and exports of cotton in New York in 1881–82 constituted 20.9 per cent of the entire crop and that since then, reckoning by the five-year period, she has evidenced her decadence by a diminishing of this percentage as follows:

	Per cent.
For the period ending 1886–87	19.5
For the period ending 1891–92	15.7
For the period ending 1896–97	11.6
For the period ending 1901–2	7.5
For the period ending 1906–7	5.8

And for the year 1907 only 4.5 per cent of the entire crop was sold and exported through that great market port.

In all fairness I ask if these figures do not conclusively show that New York as a cotton market is on the decline?

Mr. Chairman, on the 25th day of April, on page 1006, the New York Financial and Commercial Chronicle published editorially the following:

It has become so much the fashion of late to attack the New York Cotton Exchange that little or no care is used in making statements. For example, in an attempt to show that little spot business is done here, Mr. BURLESON, in supporting his antioption bill before Congress, recently made the statement that receipts of cotton at New York have been gradually decreasing of late years until in 1906–7 they reached only 23,108. As a matter of fact the arrivals at this port in that year were 1,413,277, of which 493,000 were sent abroad and approximately 850,000 forwarded to spinners. Spot sales aggregated 118,265 and there were 459,600 actually delivered on future contracts. But the misstatement referred to is of a piece with those that have preceded it, and is evidently intended to keep alive the feeling of animosity toward the local body.

Mr. Chairman, it is claimed for this journal that it is the greatest financial paper published in America, if not in the world. Especial claims have always been put forward as to its accuracy and fairness. If these claims be well founded then undoubtedly this great journal has been woefully imposed upon. I am prepared to believe that this editorial was inspired by some member of the selfish and unscrupulous clique said to be in control of the New York Exchange, and whose members, because of their official positions, are the principal beneficiaries of the uncommercial practices which are carried on therein. The statements contained in this editorial are not only grossly misleading, but some of them are absolutely false. Everyone who heard me when I spoke on April 2, and everyone who has honored me by reading that speech, knows that I made no effort to arouse any animosity toward the members of this exchange, but, on the contrary, I declared my belief that they would abandon their uncommercial rules and regulations if it was possible for them to do so and continue to exist. If an honest, helpful cotton exchange could be maintained at New York no one would rejoice at its prosperity and maintenance more than I would, because it is to the interest of the producer to have as many markets for his cotton as possible.

But, Mr. Chairman, my contention is that New York has ceased to be a cotton market. I think I have shown that the stock of cotton carried in New York has for a number of years been gradually decreasing, until it has reached the point where many believe future trading on the exchange is actually endangered, because there is not sufficient reserves in New York upon which to do this business.

Now, am I mistaken about this? Let's see. It is a well-known fact that the board of managers of this cotton exchange have appointed a special committee to devise and elaborate a plan by which, if possible, stocks of cotton, carried at various points in the cotton section, can, by being stored in properly licensed warehouses and officially classified, inspected, and certificated, become a proper, recognized and legal delivery against a future contract made on the exchange.

I submit, Mr. Chairman, that this action by the exchange is a tacit admission of what I claim and what I think I have clearly established. The truth is, the New York Exchange members, recognizing the decadence of New York as a spot market, are trying to offset the fact by enlarging its available stocks by going to the South and there establishing certificated warehouses. This they may deny as vehemently and often as they please, but it is true. I fear that conditions are now such that the exchange can not in this way bring about a broadening or increasing of its stocks so as to conduct an honest, fair business. To continue under existing conditions is both unjust and dishonest. In the first place the character of cotton carried—the New York stocks—is, to use the language of a member of the board of managers of the exchange, Mr. Arthur R. Marsh, "Such as the spinners are not buying freely." It is unfair to the producer of cotton that this low-grade stuff be used for purposes of tender, thus hammering down prices; and it is dishonest to the consumer of cotton because the narrowness of the New York spot market is such that its transactions can not be honestly used as a basis for fixing contract differences. Because of this they are driven to an arbitrary fixing of these differences practically once a season, to stand, regardless of the change which may be brought about by supply and demand. Thus their contract is debauched and degraded.

Leon Say, the great French political economist, second if not equal to Adam Smith, taught that of all the evils and nightmares that could befall a nation, none compared to a debased circulating medium. The New York Cotton Exchange has debased and debauched its contract so that it has become a false, a spurious measure, complained of at different times from different sections, some understanding fully the causes of the trouble, most feeling it without comprehending the causes, the injustice finally culminating, as it has within recent times, in drastic legislation by almost all the cotton States, and an investigation by the National Government, just concluded. The only noncomplainant against the operations of the exchange are the European traders. They know a good thing when they see it, or, more properly, when they have it.

And the saddest part of the picture is that, as usual, it is the "small" man who bears the brunt; the planter, the storekeeper, or the trader of the interior, who does not understand the workings of this debased, uncommercial contract. The rich always benefit by such methods. A Rockefeller and a Rogers get their heads together; amalgamate a few copper properties—some good, some bad—multiply their real value by 20, 30, perhaps 40; tickle the public into biting, only to be bitten a little later. They are smart financiers—la haute finance. A Morgan, a Ryan, or a Harriman pick up some railroad; inject 50, 60, perhaps 70 per cent of water into its stocks and bonds, land it on the dear public, and grow richer. But how about the "common people?" How are their interests affected? Are they not at last the real victims? But to return to the criticisms of my former speech.

The Financial Chronicle editorial boasts of "the arrivals at this (New York) port" in the year 1906–7, as does also the New York Chronicle, claiming an increase.

How cute these defenders of the New York Exchange are in manipulating figures! Why of course the figures given for receipts for 1906–7 were larger than the average of the previous six years. Strange if they were not, for the crop of that year, 13,540,000 bales, was the next largest on record, compared with an average yield for the previous six years of a little above 11,000,000 bales. Again, in support of their contention that New York had not declined as a cotton market, the Financial Chronicle brings forward the astonishing statement that "there were 459,600 bales actually delivered there on future contract." They must think the people are easily bamboozled—they must think we are grossly ignorant of any knowledge or familiarity with the so-called business carried on in this exchange.

What do such figures amount to? Nothing, absolutely nothing! Each 100 bales may have been delivered once every month, which means twelve times during the season—in fact, it might have been delivered two, three, or four times each month. So such figures mean nothing, show nothing.

Mr. Chairman, twisted and distorted figures and false inferences can not change the fact that New York as a cotton market is decadent. I still insist that its net receipts are a fair measure of the standing of New York as a spot market. Her net receipts have steadily declined, and this fact correctly measures her position in the cotton trade—for while the gross receipts may be expected to show up larger and larger, progressively, owing to increased size of crop and increased consumption by Eastern mills whose stocks pass through there, the net receipts, which to a considerable extent used to go to New York for cotton brokers to "bank on" up to the year 1897, have become almost nil in recent years. There are two reasons for this: First, because it costs $1.50 "for every bale shipped to New York and carried in warehouses, which is not incurred if the same cotton is shipped direct from the South to the spinner;" and, second, because of the arbitrary, uncommercial manipulations of a few men in the New York Cotton Exchange. They serve their selfish interests first, at the cost of fairness of trade to all, and try to make us and the rest of the world believe that they believe themselves to be doing the right and just thing.

On April 2, I read from Latham Alexander's Cotton Fluctuations the net receipts of New York for only a few years. I now

submit a table showing the net receipts, and, in addition, the commercial crop, and the per cent the former bears to the latter:

Net receipts of cotton at New York, total commercial crop, and per cent which New York's net receipts bear to the commercial crop for periods indicated.

	Net receipts.	Commercial crop.	Per cent.
	Bales.	*Bales.*	
1877–1887 (yearly average)	144,000	5,912,000	2.44
1887–1897 (yearly average)	147,000	7,886,000	1.87
1897–1907 (yearly average)	95,000	10,710,000	.89
1906–7	23,000	13,540,000	.17

In order to be absolutely fair, I show percentage of decline by decades.

For the decade ending 1887 New York received 2.44 per cent of the crop grown. Since then there has been a gradual falling off, as is clearly shown by an examination of this table, until during last year the receipt of cotton at New York amounted to only seventeen one-hundredths of 1 per cent of the crop. Yet these gentlemen would have us believe New York was holding her own as a spot market.

If additional data were needed to corroborate my statement that the net receipts at New York fairly indicate the decadence of New York as a spot market, I need but present figures from Mr. Shepperson's book of "Cotton Facts," of the "*actual sales*" of spot cotton in that market for a period of years, with a comparison of these sales with the total sales in the eighteen markets enumerated by Mr. Shepperson, which show strikingly the decline, not only relatively but absolutely, of New York as a market of spot sales.

It might be well to keep in mind; when speaking of sales of spot cotton in New York, the fact that the same lot of cotton may, as I have shown, be sold a number of times, thus swelling the number of bales apparently sold. A few thousand bales of cotton may be accumulated there and sold and resold, delivered and redelivered, until the illusion is created that hundreds of thousands of bales were being actually dealt with. Notwithstanding this, and accepting their figures, as will be shown by an examination of the following table, New York has lost ground not only in the number of sales, but also in its relative rank among the cotton markets. I present figures showing the trend of spot sales in New York for a series of years:

Sales of spot cotton in New York, total sales in 18 American markets (reported by Shepperson), the per cent which New York sales are to the total sales, and New York's rank as a spot market, yearly for periods indicated.

	Spot sales, New York.	Total spot sales 18 markets.	Per cent New York of total.	Rank of New York.
1887–88	448,000	4,258,000	10.5	3
1887–1897 (yearly average)	295,000	4,000,000	7.4	4
1897–1907 (yearly average)	136,000	3,909,000	3.9	9
1906–7	118,000	4,253,000	2.7	11

You will observe that whereas in the year 1887–88 the sales of spot cotton in New York comprised more than 10 per cent of such sales, the per cent declined steadily until 1906–7, when less than 3 per cent of such sales were made in New York. And, further, although New York ranked third in 1887–88 among the spot markets of the country, her rank has steadily declined until in the year 1906–7 she ranks as eleventh.

Now, Mr. Chairman, I think I have fairly shown, not only by using her net receipts as a basis for my conclusions, but also by using the amount of her stocks kept on hand, by her annual sales of spot cotton, and by her exports, that New York has for a number of years been gradually on the decline as a cotton market, and I have even shown by the tacit admission of the exchange itself that it recognizes this fact and has taken steps to offset the evil consequences to flow therefrom if it be possible for her to do so.

If I am in error I invite Messrs. Hentz and Shepperson, or any defender or apologist of this exchange, many of whom have expert cotton statisticians at their command, to show wherein I am mistaken. I would also like to know what other measure of the standing of this exchange as a cotton market they would have me use.

Mr. Chairman, since I addressed the House on this subject, on April 2, the Bureau of Corporations has transmitted to the House the first installment of its report in response to the resolution written and introduced by me, and which was adopted by the House of Representatives on February 4, 1907. This report has for some reason been delayed, but a reading of it convinces me that the fault, if any, for this delay does not rest with those who had part in its preparation.

A careful examination of it discloses that it makes for me a complete answer to every criticism made of my former speech by Messrs. Shepperson and Hentz or by the Journal of Commerce and Financial Chronicle. It shows that the New York contract is not "practically the same" as the New Orleans contract, and also that the "gross movement of cotton" through New York or the fact that she sold "so much" last year and "exported" so much last year does not establish the claim put forward that she is holding her own as a cotton market.

It was especially gratifying to me that this masterly report of Commissioner Smith confirmed the views expressed by me in that speech on the very phases of the question upon which my critics sought to attack me. I shall now read a few excerpts from that speech, and follow same by submitting Commissioner Smith's letter transmitting said report, in which he sets forth in brief the substance thereof, and let every fair-minded person determine for himself whether I am supported in my contentions. Among other things, on April 2, I said, speaking of New York as a cotton market:

The gradual evolution and development of "the through bill of lading" and the geographical handicap which New York suffers brought the exchange to its present low state.

And in the same connection I also said:

When "the through bill of lading" brought about not only a saving of time, but also a saving of the expense attendant upon stopping and handling cotton in New York City its business as a great spot cotton market was gone, never to return. It needs no argument to prove this; the mere statement of the fact is in itself a conclusive demonstration of the correctness of the proposition.

It was "*the through bill of lading*" that destroyed New York as a great market center for cotton.

Now, permit me to read what Mr. Marsh, a member of the New York Cotton Exchange, in a letter addressed last year to the Atlanta Constitution, attempting to defend practices upon the exchange under its rules, had to say as to the effect of the through bill of lading. I read an excerpt therefrom as follows:

"Years ago, in the early days of the New York Cotton Exchange, New York was a market in which large quantities of all kinds of cotton were regularly carried in stock and offered for sale to spinners precisely like stocks of dry goods and other commodities which are now even carried and sold by the New York merchants. This is no longer the case, as it was discovered some twenty years ago by New England spot brokers that they could buy cotton in the South and sell it to New England spinners at practically the same price the New York merchants had to pay for their cotton delivered in New York. In other words, these New England brokers see that every bale of cotton that comes to New York and is carried in warehouses is subject to an expense of $1.50, which is not incurred if the same cotton is shipped direct from the South to the spinner. By saving this $1.50 per bale the New England broker was able to steadily undersell the New York cotton merchant and speedily capture all the old-time business in spot cotton which formerly New York controlled. Spinners ceased to come to New York in search of cotton for their mills, and the result was that the New York market was no longer able to carry at all times the considerable stock of all kinds of cotton it formerly did."

Thus you see, Mr. Chairman, that this law of business which requires every economy of time and money wrought the destruction of this great exchange.

With reference to the rules of the exchange I had this to say:

Under more favorable circumstances, with a different environment, I feel sure the New York Cotton Exchange would have scrupulously avoided—yes, would have even scorned to consider the adoption of some of its present rules or countenanced its present controlling practices. [Applause.] It is for this reason, Mr. Chairman, that in the course of this discussion I shall feel no inclination to indulge in abuse of the New York Exchange or its members, and whereas I shall criticise some of its rules and practices as being extremely hurtful to legitimate trade, I do so feeling, as I have said, that those rules and practices are necessary to preserve the existence of the exchange. I believe they would change them if they could do so and still continue to do business. It is true they exert complete control over their own rules—can modify or change them when they see fit, but human nature is human nature, and it may not be reasonable to expect them to voluntarily modify their methods of business when such action would in a large measure destroy that business. But, Mr. Chairman, if it is a fact that conditions are such as to make it impossible for the New York Cotton Exchange to operate its so-called business without doing serious injury to legitimate trade, then I think all will agree that it should go out of such business.

Speaking of the subject of fixed differences between grades, I used this language:

I now submit for your consideration a rule of this exchange which, in my opinion, operates to do the producer and consumer more damage, more serious hurt, than all other things combined. I read it from their by-laws:

"SEC. 67. The committee on revision of quotations of spot cotton shall consist of seventeen members, representing the various interests of the exchange. At any meeting of this committee ten members shall constitute a quorum. If no quorum of this committee can be obtained, the president shall appoint a sufficient number of members of the exchange to form a quorum.

"The duty of this committee shall be to meet twice a year, viz, on the second Wednesday of September and the third Wednesday of November, at 3.30 o'clock p. m., and receive a report from the committee on spot quotations as to the state of the market; also suggestions or opinions from any member of the exchange regarding the revision of spot quotations.

"The committee shall on the day of meeting consider the report of the committee on spot quotations and the suggestions and opinions presented by members, whether in writing or verbally, and establish the differences in value of all grades, on or off, as related to middling cotton, which shall constitute the rates at which grades other than middling may be delivered upon contract."

Consider for a moment what this rule means. It is a deliberate attempt to nullify the operation of the law of supply and demand. It is an assumption of right on the part of this exchange to fix for a period of ten months the differences in value between the several grades of cotton.

There is a demand for low-grade cotton, as we know, and after differences have been fixed by this revision committee the commercial demand may materially diminish the difference in value between this cotton and cotton of the higher grades, and yet under this rule the difference fixed by this committee must stand for the full period of time. What a fruitful field for manipulation! After these differences have been fixed a storm may sweep over the entire cotton region—it frequently does—and higher grades of cotton as a result of commercial demand may advance materially over the market price of the low grades, and yet this exchange, day by day, solemnly announces that no change in differences can be made until the September to come. Regardless of how wide these differences may actually become because of the demands of the trade the New York exchange remains a law unto itself and maintains differences fixed months before. Because of this it is a safe selling market; but all wise buyers avoid it.

The question now arises from whence comes the buyer? I'll tell you, he is the nonprofessional speculator, the small trader, the unwary multitude found here, there, and everywhere in our country—especially in the South, where we are always optimistic about cotton—who, finding the New York exchange quotations below all others elsewhere, and not knowing the cause, and perhaps not understanding it if told, rushes in as buyer at New York, and in the end, of course, is left to hold the bag.

Yet the New York exchange pretends to be outraged when criticism is directed against such rules and practices, and insolently demands that it remain unmolested.

Mr. Chairman, it has been charged that the revision committee has purposely established differences far out of line with the commercial difference in value between the grades. I make no such charge. Enormous injury to the producer and consumer will inevitably come as a result of honest mistakes or poor judgment on their part, and this suffices as a reason for me to condemn this arbitrary rule without venturing into the field of speculation as to the infamies and wrongs which could be perpetrated if the men who made up this committee were corrupt enough to attempt to use their power for their own selfish purposes. A careful study of the situation discloses that three factors have contributed to the abnormal depression of the price of futures on the New York exchange below the level of spot prices in the South.

I charged then that the failure of the revision committee to fix differences commensurate with the real value of the several grades, as shown by quotations in the South and at Liverpool, contributed to the abnormal depression of the price of futures on the New York Exchange below the level of spot prices in the South.

Mr. Chairman, I now submit the letter of submittal by Commissioner Smith, the italics being mine:

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF CORPORATIONS,
Washington, May 4, 1908.

SIR: I have the honor to submit herewith Part I of the report on the operations of cotton exchanges, made in accordance with House resolution No. 795, of February 4, 1907.

This part deals with cotton-exchange methods of determining differences in price between various grades of cotton in connection with future contracts. Subsequent parts will take up the matter of classification of cotton, the range of grades, and effects of exchange rules and other conditions upon the price.

"Future" transactions in cotton provide for delivery at a distant date instead of for immediate delivery, as in the case of so-called "spot" transactions.

There are two great cotton exchanges in this country, New York and New Orleans, where organized future dealings are conducted. All future trading on both these exchanges is in so-called "basis" contracts—that is, contracts which permit the delivery of a number of "grades" of cotton on one contract. The seller of this contract may deliver thereon any grade he chooses within the range prescribed by the exchange. The buyer has no option. The proper theory of a basis contract, however, is that all grades shall be deliverable at prices which will make them commercial equivalents of each other. Cotton is graded substantially on its color and on the amount of leaf and other foreign matter, all materially affecting its market value. At the time that this investigation started, thirty grades were deliverable on contracts of the New York Cotton Exchange, later reduced to eighteen grades, chiefly by cutting out intermediate grades, with little reduction in the extreme range. The range of grades deliverable at New Orleans is nominally about the same. "Middling" cotton is always the basis grade, the grade for which the price is fixed by the parties to the contract. The prices at which other grades are deliverable are determined by the so-called "differences" above and below—or, in trade parlance, "on" and "off"—middling.

There are two ways of establishing these differences. For the last eleven years the New York Cotton Exchange has had a so-called "fixed-difference" system. A committee of the exchange, commonly known as the revision committee, meets twice a year, in September and in November, and establishes the respective price differences on or off which shall apply to the grades other than middling. These differences, once established, can not be changed until the next regular meeting, and govern all contracts in futures.

The New Orleans Cotton Exchange, on the other hand, has what is known as the "commercial-difference" system. A committee of the exchange meets daily, and, upon information of actual "spot" transactions, quotes the prices of the various grades, which quotations virtually establish the differences which apply on future contracts. That is to say, the New York system arbitrarily fixes what the differences for all grades shall be for two months or for ten months, while New Orleans follows the actual market differences for these grades as established by daily spot transactions. This part compares these two methods.

The buyer of a future contract can not specify the grades to be delivered thereon. Obviously, therefore, he is greatly concerned as to the "differences" at which he may have to accept the various grades. He knows exactly the price for one grade—that is, middling cotton. That price was stipulated in his contract, the so-called basis price. But as to the prices which he must pay for other grades he is dependent upon the exchange differences. The underlying principle of a basis contract undoubtedly is that if the seller does not deliver middling cotton he shall substitute other grades only at their true value relative to that of middling in the spot market at the time of delivery—that is, at the actual commercial differences. This clearly is the only equitable basis. Under these conditions, as far as price is concerned, a basis future contract is substantially the equivalent of a contract for middling cotton. Consequently the market price of basis future contracts for immediate delivery should be practically the same as the price of middling cotton in the spot market. There is, however, properly a small regular margin between the two, because some expense is involved in sorting out and disposing of the mixed assortment of grades likely to be received on contract.

For all interests legitimately using the exchange, it is highly desirable that this margin should be comparatively constant in amount—that is, that there should be a substantial "parity" maintained between the spot price of middling cotton and the price of middling cotton on contracts for immediate delivery. A future contract is supposed to represent actual cotton, and from the very nature of things such a parity should be preserved. The respective merits of "fixed" and "commercial" differences are, therefore, roughly indicated by their effect on this parity. In general, it may be said that the commercial-difference system maintains this parity far better than the fixed-difference system. This is because the commercial-difference system is based on actual daily transactions in cotton, so that the same influences that affect the differences in spot transactions also affect the future contract differences and thus maintains the parity between the price of future contracts and the price of spot middling cotton. Under a proper application of the commercial-difference system the operator in future contracts can base his calculations on the course of middling cotton, and is able largely to disregard differences for other grades, since he relies on the exchange to keep these constantly correct.

Under the fixed-difference system, on the other hand, the operator, besides considering the probable course of the middling price, must also consider the course of the prices of all other grades. *Fixed differences are an attempt to establish arbitrarily, and months in advance, the relative values of grades. These differences are bound to become at times erroneous, because the relations of values inevitably vary under the natural laws of supply and demand. Consequently, if the operator believes that the "fixed" differences are wrong, or may become wrong by the time the contract matures, he will, because he is bound by them, endeavor to offset this error by modifying the basis price which he offers for the contract; and this, as a matter of fact, constantly occurs during such variance. Further, inasmuch as the seller has the option of delivering any one or all the grades, he will, of course, deliver those grades which are most overvalued by the existing differences, so that the basis future price will be affected, not by the average error in the differences, but by the maximum error therein. The result is that the price of future contracts, thus affected by the fixed differences, will at times vary widely from the actual price of middling cotton in spot transactions. The extent of these variations will depend chiefly upon the extent of the errors in differences. In other words, these errors will disturb the normal parity above described. These disturbances have a very far-reaching effect, especially on the distribution of speculative risks.*

Dealings in cotton must always be accompanied by risk, either to the producer, the merchant middleman, the speculator, or the spinner. Natural conditions greatly affect the supply, and other conditions the demand, and both consequently affect the price. What is the equitable distribution of these risks? It is a general principle that much of the risk should properly be borne by the speculative class; that is, by those who neither produce nor spin cotton, but who are interested simply in making a profit out of the rise or fall of its price. Whatever justification there may be for the speculator lies in the fact that he stands ready to take a large share of this risk. His function is to forecast future natural conditions affecting supply and demand, to obtain as accurate information thereon as possible, to make the price for future deliveries based on such information, and thus to discount in advance, as far as possible, for the benefit of the trade in general, the effect of such future conditions and thereby keep prices free from violent fluctuations which otherwise would occur from unforeseen natural causes.

One especial and necessary function of the speculator in assuming risk is to facilitate so-called "hedging" operations. The manufacturer of cotton, for instance, usually makes many months in advance his contract to deliver cloth to the dealer. His price for that cloth must be based largely on what he has to pay for raw cotton. This he can not foretell. Suppose he has agreed to deliver cloth which will consume a thousand bales of cotton, and at a price which will be profitable if he can buy that cotton at 10 cents a pound. Immediately upon making that agreement he buys a thousand bales on future contract. This contract should insure him against loss by fluctuation in the price of raw cotton. For instance, if when he buys his actual cotton for spinning the price of middling cotton has advanced to 12 cents, he loses that much from his profit on the cloth. On the other hand, if the price of future contracts has made a corresponding advance of 2 cents, thus maintaining a proper parity between the future price and the spot price, he makes 2 cents on his future contract. His loss on actual cotton is thus offset by his gain on the futures. His hedging operation, therefore, far from being speculative, eliminates the speculative element from his business. The manufacturer assumes sufficient risk in the risk of manufacture and distribution.

Similarly other interests, and particularly cotton merchants, thus try to hedge against speculative risks.

Now, the value of hedging depends entirely upon the maintenance of this parity between the spot price of middling cotton and the price of future contracts. Should this parity be disturbed after the contract is made, some class of these hedging interests will lose. In the case above cited, should the price of raw cotton go up 2 cents before the maturity of the contract, while the price of future contracts went up only 1 cent, the manufacturer would lose 2 cents a pound on his spot-cotton purchases, and gain only 1 cent on his futures, a net loss of 1 cent a pound.

It is, of course, possible that the parity might so vary that the hedge would give a net profit instead of a loss. But such profit is a speculative one, and is in conflict with the fundamental theory of hedging, which is intended to eliminate the speculative factor. The man who

hedges does so to remove himself from the speculative class. If he secures protection against speculative losses he has no right to speculative profits.

Fixed differences are an attempt substantially to render future transactions a "sure thing" for a limited class of speculative experts. The system amounts to an attempt absolutely to fix prices—an economic absurdity. The relative values of different grades are as much subject to the natural laws of supply and demand as the value of middling cotton itself, and it is as unreasonable to attempt to fix one by the fiat of a committee as it is the other.

The result of this attempt, as above shown, is to affect the basis price that is paid for future contracts. The law of supply and demand, unable to work directly on these fixed differences, works itself out indirectly on the basis price of the contract; but this indirect action results in great loss to a vast body of persons who are not experts and who do not understand this artificial machinery or its results. By compelling operators in futures to consider probable conflicts between the two sets of differences, as well as possible variations in the price of middling cotton itself, an unnecessary increase in trading risks is introduced. This is clearly an evil. The system results in shifting the burden of risk from a limited class of experts to a nonspeculative class, or to those ignorant of the working of the system. A premium is thus put on intelligence applied to artificial conditions, which of course is of no service to the public, rather than on intelligence applied solely to forecasting the actual conditions of supply and demand. In the same way the system tends to shift the burden of risk from sellers upon buyers. Clearly a great advantage is given the seller from the fact that he can offer on contract any grade he chooses. He should not have both this privilege and the privilege of arbitrarily fixed differences, which almost invariably overvalue certain grades. The result of the combination of the two is to give the seller an extremely unfair advantage over the buyer.

The foregoing criticisms were strikingly illustrated in November, 1906, as the result of the failure of the New York revision committee to establish correct differences. Owing to abnormal weather conditions the commercial values of the lower grades of cotton fell very sharply from the price of middling. The revision committee failed to adjust its "fixed" differences to the actual situation and established differences for low grades which very heavily overvalued them. As a result the future contract price at New York dropped abruptly from the price of spot middling to the tremendous loss of a vast number of holders of future contracts for cotton and the profit of the few experts who understood and anticipated the effect of the system. Hundreds of men also, who had hedged cotton by buying contracts in New York, were injured by this striking disturbance in the parity. A number of failures in the South were charged to this one cause alone. One result has been to reduce hedging in New York, as the possibilities of its artificial system were thus disclosed.

As pointed out above, such a disastrous disturbance in the parity is exactly what is brought about by the errors in the fixed differences in New York.

The reply of certain interests in the New York Exchange is that "a contract is a contract;" that men who deal there come of their own will and are supposed to understand the game. This position can not commend itself as sound business ethics. Practically, also, it is not true that cotton interests are wholly at liberty to stay out of the exchange. As shown above, certain interests must have a hedging place. Furthermore, financial connections with New York are so close that New York must be that place for many of them. Still further, the New York Cotton Exchange practically owes its existence to the volume of business made possible by the participation of outside interests. Both the duty of a private business man to his customers and the duty of a concern which is to a certain extent a public utility demand fair dealing.

The injury from such errors in differences as are inevitable under the fixed-difference system is not, however, the limit of possible harm under that system. There is danger that improper differences may be intentionally established.

As stated above, differences are fixed in New York by the revision committee but twice a year. The New York Exchange does not, as does New Orleans, provide any standard by which the committee shall act. It is not obliged to follow the spot-market quotations, or even any general principle. This leaves it an extreme degree of arbitrary power. This committee is usually made up of men who are large operators on the exchange, and who are constantly interested in the future market. It is within their power so to fix these differences as to affect enormously the value of their own future contracts. In this same revision of November, 1906, when the differences fixed by the committee were radically wrong, several members of this committee have admitted that they were at the time heavily interested in future contracts, and that they profited by the action of the committee. There is no conclusive proof that they intended this. *It is sufficient to point out that this fixed-difference system, applied thus arbitrarily by a small body of men, furnished in this case a condition where (1) these men had the power thus to reap enormous profits at the expense of others; (2) they admit that they did reap profits; and (3) the motive for doing so was extremely strong. Comment upon this situation is hardly necessary.*

The foregoing does not mean that the New Orleans "commercial-difference" system in its actual working has been at all times free from criticism. Disturbances of the parity have also occurred there, but have been by no means as great or as long continued as in New York. The trouble is not in the New Orleans system itself, but in occasional careless or improper application of it—an erroneous quotation of actual prices. There is, however, need of more care in the conduct of the system.

Since the beginning of this investigation there has been, both at New York and New Orleans, a considerable increase of discussion of the rules affecting future contracts and the possibility of improvement.

There is at present a fundamental difference in conditions between the New York and the New Orleans market, which doubtless is one reason for the difference in system, though by no means an excuse therefor. *Under modern conditions of transportation, with the through bill of lading available, New York is no longer a natural spot-cotton market. Cotton usually takes the cheapest route to the mills, and this route does not include a stop-over at New York. As a result transactions in spot cotton in New York are quite small, and thus there is not in New York such a market in actual cotton as will furnish reliable quotations to be used in fixing contract differences.*

This, however, does not prevent the application of the commercial-difference principle in substance to future contracts in New York. The commercial differences existing in the leading Southern spot markets can be used as a basis for contract differences. It would not be strictly necessary to revise the contract differences as often as changes in such commercial differences occur. If the contract differences were revised weekly, or even monthly, the substantial advantages of the commercial-difference system could be secured.

It is contended by many that such a return to the commercial-difference system would, *because of the disadvantages of New York's location*, destroy the business of the New York Cotton Exchange. There is little reason to believe that any such result would occur. *However this may be, the New York Cotton Exchange, if it can not exist under a just and equitable system, has no excuse for existence at all.* The present New York system of fixed differences is uneconomic, in defiance of natural law, unfair, and, like all other attempts to defy natural law, results in such complex and devious effects that the benefit of its transactions accrues only to a skilled few.

Very respectfully,

HERBERT KNOX SMITH,
Commissioner of Corporations.

The PRESIDENT.

Mr. Chairman, so it seems I am not alone in my belief that the rules and practices of this exchange are indefensible. I again assert that this Bureau report sustains me on every proposition I made in so far as this part of the report attempts to treat the question discussed by me. And, Mr. Chairman, there are others who are of the opinion that the by-laws of the exchange providing for fixed differences in value between grades of cotton practically once a year should be changed. Permit me to read from the semiofficial organ of the exchange.

I read from the New York Journal of Commerce and Commercial Bulletin of date January 25, 1907:

COTTON EXCHANGE TO HAVE NO ADDITIONAL REVISION—BUT VOTES TO CUT OFF LOW GRADES FROM ITS CONTRACT—QUARTER GRADES ALSO ABOLISHED—ONE OF THE MOST IMPORTANT BALLOTS TAKEN BY THE EXCHANGE—SPOT AND WALL STREET HOUSES OPPOSE FEBRUARY REVISION—CONTRACT EXPLAINED.

The New York Cotton Exchange yesterday adopted by ballot the amendment proposed by the managers to its by-laws, which makes strict low middling stained the lowest grade of cotton deliverable under exchange contracts. The change will take effect in January, 1908. An amendment was also adopted eliminating all the quarter grades.

The proposed amendment changing the dates of meetings of the revision committee from the second Wednesday in September and the third Wednesday in November to the third Wednesday in September, November, and February was not carried, considerable opposition having developed to this feature by Wall street and spot houses, as shown by the following circular, which all members found in their mails yesterday morning:

"We, the undersigned, are of the opinion, after giving the subject consideration, that it would not be advisable to have another revision of differences between grades of cotton commencing February, 1908, as it would have an unsettling effect on the market by restricting transactions during December and January. Operators would do very little during that period, pending the uncertainty of February revision, particularly Europeans, who at times do a large business. The importers and jobbers in coffee have no fear of further revision, as the coffee exchange abolished the rule for fixing differences after it adopted the present differences between grades.

"A vote by ballot will be taken at our exchange to-morrow, Wednesday, January 23, between 11 a. m. and 2 p. m.

"We hope you will be present. If you can not, a proxy can be used, which will be furnished by Henry Hentz & Co. or some of the signers of this.

"Henry Hentz & Co.; Stephen M. Weld & Co.; Fernie, Wilson & Co.; T. M. Robinson & Co.; Wm. Ray & Co.; Hopkins, Dwight & Co.; Shearson, Hammill & Co.; Henry Clews & Co.; F. B. Guest & Co.; W. R. Craig & Co.; C. E. Rich & Co.; Latham, Alexander & Co.; Siegf. Gruner & Co."

The vote on the first two amendments was overwhelmingly in favor, but the figures on the revision amendment were 163 in favor and 123 against, it being lost because it failed to receive a two-thirds vote in favor.

Mr. Chairman, I do not know it, but I suspect that among these signers are the chief beneficiaries of the present system, or, as it should be called, "the sure thing." I doubt not among them could be found the chiefs of the small coterie who profited by that historic revision of November, 1906, referred to by Commissioner Smith in his report. And I am confident I would not be far amiss if I also said that among these names could be found the firm which led the December squeeze of 1907, to which I will direct your attention in a moment.

So it seems, Mr. Chairman, a majority of the members of the exchange voting expressed themselves in favor of a change of this indefensible system of fixing differences, but no change was made, for the reason stated. This article, clipped from the Bulletin, concludes with a defense of the exchange contract by Mr. Henry Hentz, who ends his defense with this significant statement:

A few years ago there were loud complaints that grades delivered on contract were too good at the exchange-fixed differences.

Europeans who understand the cotton business think our system of delivery is very superior.

These exchange people seem to be quite solicitous about the welfare of the European trader, but not one word about the Southern producer or the American consumer. The European trade must be protected, even if unjust, uncommercial, uneconomical, and illogical rules and regulations must be continued. These rules inure to the benefit of a few, very few concerns, but they are a detriment to thousands, yes, millions, who are helpless to protect themselves.

Now, Mr. Chairman, I desire to direct attention to one of the most unique communications it has ever been my fortune

to encounter. It is an appeal addressed by Mr. Atwood Violett to the members of the exchange, and, in effect, begs them to be good just for a little while. I clipped it from the May 2 issue of the New York Journal of Commerce. Read it and marvel at the open, brazen discussion of such wrongs and outrages as are tacitly confessed therein.

COTTON TRADE INTEREST IN THE SMITH REPORT—FEARS THAT IT WILL CRITICISE EXCHANGE METHODS—ATWOOD VIOLETT SUGGESTS CAUTION AT THE PRESENT TIME IN BRINGING ABOUT ABNORMAL CONDITIONS BETWEEN NOW AND JULY 1, SUCH AS AN EXCESSIVE JULY PREMIUM WOULD CREATE.

Much interest is being taken in cotton trade circles in the report of Commissioner Smith on his investigation into cotton-exchange methods. In a circular addressed to members of the New York Exchange Atwood Violett yesterday urged caution in deals that might attract criticism at this particular time, saying in part:

"The impression is that the Department of Commerce and Labor has information as to manipulation of this market that took place last autumn, when December contracts were advanced $4 per bale, or 80 points over January, and this premium maintained until the very last day of December, thus bringing about a squeeze, or practically a corner, in the latter month, and movements of which character have done so much in the past two years to bring forth criticisms that have been so generously extended to this exchange, as unfortunately we all have reason to know.

"In order to refresh the memories of those who may have forgotten, will say that notices were issued on the 28th or 29th of December last for delivery on the 2d of January, notwithstanding the discount under January referred to above. In other words, had those who delivered on January delivered the same cotton on December 31, they would have received, according to the premium over January, it will be seen, a premium of $4 per bale in excess of the basis on which they issued their tenders on the 28th or 29th of December for delivery three or four days later.

"It was said, however, that many of those issuing notices on January were those responsible for maintaining the December premium and thus by holding the long interest in that month they made the unfortunate short 'step up and settle,' where cotton was not forthcoming in order to liquidate December short contracts.

"Should it be found, when the report of the Department of Commerce and Labor is made public, that these manipulative features or squeezes have been gone into very thoroughly by them, in which event they would doubtless recommend very stringent measures to prevent such tactics in the future, in what a predicament the New York Cotton Exchange would be if it should be seen within the next thirty days or so that those responsible for the December movement of 1907 (or any others of our membership) were attempting in the same way to establish a greater premium on July over October than now exists.

"Such a situation would be entirely artificial, because of the absence of a premium on a subsequent month sufficient to pay all or part of the costs of 10 points, or 50 cents per bale per month. Therefore, to bring about abnormal conditions between now and July 1, such as an excessive July premium would create, would certainly bring the New York Cotton Exchange into a great deal of unfavorable prominence, which, pending the publication of the report referred to, should certainly be avoided. While the exchange itself would be criticised, so far as general sentiment is concerned, the responsibility would lie with those who might attempt a July manipulation. Therefore, if any such idea is in the minds of one or more members of our exchange they should carefully consider, individually and collectively, the position they would be placed in, with a possible investigation thereafter, through Congressional action. In that case, it might be that Congress would simultaneously take up the December situation as well, but we can hardly imagine in view of the possibilities referred to that a July movement of the character we have outlined will materialize.

"To avoid further burdening our exchange in the way of adverse legislation, State and national, is something that must appeal to all, and, therefore, it would seem to be well to take under consideration by the members generally the suggestions we herein offer, so that discussion of the same may be had."

Mr. Chairman, permit me to make a liberal translation of what is meant by this appeal to the members of the exchange. I want to be fair, and yet I feel that I am just when I say that this article may be summed up in a few words. In effect it says:

Please, fellows, don't do any robbing while the policeman is looking! Don't do it, for if you do, some step might be taken to break up our sure-thing game.

And yet, Mr. Chairman, these people express surprise, or pretend it, when the producers and consumers of cotton insist that such practices of exploitation and plunder be abandoned.

Now, permit me to read again from the semiofficial organ of the New York Exchange. I read from Cotton Causerie in the issue of May 8 of this year:

The people who believe in reforming the New York contract have the votes," said one prominent member, "but the old machine has the organization. There has been a great awakening among the members, but at the same time the people with business to give out to other members usually get what they want, and the machine may win again, although it is to be remembered that the last annual election was not a victory for the revision of November, 1906.

So it seems that this great (?) exchange is in the grasp of a clique or ring, and that it can not cleanse itself, though a majority of its members, seeing the danger menacing it, desire to adopt wholesome measures of reform. It seems also that the "machine" responsible for the malodorous revision of November, 1906, referred to in Commissioner Knox Smith's report, is not only in control now, but will continue to dominate the exchange.

But permit me to read again:

There is a clever, fast game being played between big people just now, and the little fellow on the outside seems to be inclined to look on.

This would indicate that the fellows are not going to give heed to the importunities of Mr. Atwood Violett, but intend to play the game even if the policeman (the Chief of the Bureau of Corporations) is looking on.

I read again from the same paper:

The old crowd says: "Did you ever see an outsider get away with the money?"

There you have it, Mr. Chairman, in all its baldness, and this from the organ of the exchange. Could one take a better text for an advocacy of the legislation which I propose than the paragraph which I have just read?

The old crowd says: "Did you ever see an outsider get away with the money?"

This aptly expresses and exemplifies the attitude and policy of the "ring" at present in control of the New York Cotton Exchange. They attempt so to direct its legislation and its methods that the public will be induced to operate there, and then skillfully separate it from its money. If an outsider engages in the game with them, and it becomes necessary to engage in litigation with them to make them accountable to the law of the land, they promptly respond that "they have no obligations to anyone not a member of the exchange." This was their defense in the suit brought by a former member of the New York Exchange against the cotton exchange last year, and, as I now recollect, a New York court held there was no privity of contract between an outsider and the exchange, and its rules could not be interfered with by any other than members of the exchange.

View the situation as it is to-day. Throughout the South the producer is holding on to about a million bales of spot cotton for an advance in price, an advance in price which would readily be paid and could readily be afforded by the spinning interests of this country.

Incidentally and supplementing this effort on the part of the South to realize a price for their cotton that is fully justified, speculators on the New York Cotton Exchange, who are described in the paragraph which I have read as "outsiders," have bought a considerable quantity of July contracts. A reading of this paper in the last few weeks shows that arrayed against them are practically all the influential members of the New York Cotton Exchange, who have apparently made an agreement to simply smother the bull movement by selling more July contracts than the other side can possibly buy.

An examination of the daily bulletin issued by the exchange shows that in New York to-day there are only about 68,000 bales of cotton deliverable on contract. Speculators identified with the cotton-exchange "ring" have probably sold for July delivery three or four times this quantity of cotton. Now, what will the ring do if the advance shall go further? They will call for original margins, and in this way break the credit of those who are buying cotton and force a decline. What will be the result? New York future quotations exert a marked influence upon the value of spot cotton in the South. If successful in this effort to force a decline, these manipulators in fact will depreciate the value of the million bales of cotton remaining in the South, and, further, they will as well sympathetically depreciate the value of cotton goods, check the demand for the product of the mills, and force, if possible, a condition of prostration in the cotton-manufacturing business more complete than that which now exists, and all this simply that they may "take an outsider's money away from him." If this be commerce, then it is a new evolution of it, and if it be not commerce, but simply speculative chicanery and robbery, then I again assert it ought to be suppressed.

I now direct attention to a clipping from the Financial Chronicle, published during the first week of this month, urging that something be promptly done to comply with the recommendations made by Commissioner Smith and asserting that no valid reason can be given why such action should not be taken—in fact, that it should be done in order to silence complaint with the exchange itself. I read it:

[Financial Chronicle.]

COTTON-EXCHANGE "DIFFERENCES"—A TRADE EXPERT ON COMMISSIONER SMITH'S REPORT ON REVISION OF GRADES.

Mr. Smith suggests that a radical change in the present system should be made by providing for revision at least once a month, using the average official quotations of several representative Southern markets as a basis, making allowance, of course, for the relative importance of the markets (as well as for discrepancies in standards of classification.

We note a disposition on the part of prominent interests connected with the New York exchange to take strong exception to the commissioner's findings and recommendations on this point, but we are unable to discern any valid reason why some change should not be made. The impossibility of arriving at any correct basis in November on which grades other than middling shall be delivered during the remainder of the season must be admitted. Weather conditions play an important part in determining grade, and all danger of storm damage, etc., has not passed by November 10. It would seem that something should be

done and that promptly to meet the Commissioner's recommendations and silence complaint from within the exchange itself. There is a disposition in some quarters to construe as a veiled threat the commissioner's concluding remark that "if the New York Cotton Exchange can not exist under such rules as are equitable and commercial, then it has no right to exist at all." We are more inclined to look upon it as a remark used to point out the extreme importance of the matter.

I now make the prediction that any such effort will fail, just as it did in January, 1907. Those who believe in reforming the exchange may have the votes, but the old machine has the organization. Nothing will be done.

Mr. Chairman, I recognize the value to the cotton trade of exchanges which perform the legitimate and proper functions of an exchange, but I have no compromise to make, no concessions to give to an institution calling itself an exchange which by uncommercial rules and regulations has been perverted into a sure-thing gambling den. Such, I regret to say, the New York Cotton Exchange has become. It is too bad that an institution designed for and originally intended to serve the cotton trade should have been so abused by fictitious dealings and so perverted as to make it simply a gamble on the rise or fall in the price of cotton. The cotton crop is bought and sold a hundred times during a given year, a speculative feature which cancels the effect of supply and demand in fixing the price of this great common necessity. Is trading in futures essential to the welfare of the cotton trade? I do not believe it is. Bearing on this point I will read from a speech delivered before the April (1908) convention of the National Association of Cotton Manufacturers by Hon. J. R. McColl, former president of the association:

Why should it be so, if the wool crop of the world, amounting in value to $500,000,000 annually, as well as the silk and linen crops, are marketed successfully without trading in futures? This system does not influence or move the crop, and it certainly affords great opportunity for speculation, which is injurious to legitimate industry. The speculator claims to "foresee" coming conditions. Unfortunately this is not his chief business. It is to create temporary artificial conditions by selling quantities of cotton that he does not own, or buying cotton that he does not intend to accept delivery of. In the long run it must, of course, be admitted that supply and demand regulate price, but in the intermediate artificial fluctuations the speculator makes his money and the grower and manufacturer are apt to suffer disaster.

Mr. Chairman, why should this great American product—because cotton is essentially a product of our country; we produce now and will for decades to come fully 70 per cent of all grown—in producing which 5,000,000 of our people are engaged, be made a football for gamblers? Few people realize what this great crop, from an economical standpoint, means, not to the South, but to the commerce of all America. I submit a table showing the value of this American product as compared with the world's production of the two most valuable of the precious metals.

Value of cotton crop against gold and silver production.

COTTON, INCLUDING SEED.

Fiscal year—	
1900–1901	$534,000,000
1901–2	512,000,000
1902–3	552,000,000
1903–4	673,000,000
1904–5	683,000,000
1905–6	715,000,000
Total, 6 years	3,669,000,000

WORLD'S GOLD AND SILVER PRODUCTION.

Calendar year.	Gold.	Silver, bullion value.
1901	$260,992,900	$100,000,000
1902	296,048,800	99,000,000
1903	325,527,200	93,000,000
1904	346,892,000	99,000,000
1905	378,225,500	93,000,000
1906	400,000,000	115,000,000
Total, 6 years	2,007,686,400	599,000,000

Total value world's gold and silver output for 6 years	$2,606,686,400
Total value cotton crop, including seed, for 6 years	3,669,000,000
Excess of cotton value over gold and silver production, 6 years	1,062,313,600

The American cotton crop is the one crop which every year brings millions of dollars from abroad to replenish our supply of gold. Whenever the price ranges above 9 cents a pound at least $600,000,000 of new national wealth will be created in every year when the present growth of acreage is maintained. With wheat and iron, cotton constitutes the trinity of universal staples. Its produce and sale affect the negro cabin in Mississippi, the mill in Kensington, and the Japanese girl who needs a new kimono alike. The Texas cotton bale is the chief foundation for the present-day wealth of both old England and New England.

This I clip from an editorial recently appearing in the North American, one of the ablest edited papers in this country. Speaking of the report made by Commissioner Smith and the effect of the transactions of the New York Cotton Exchange on the cotton trade, it says:

Yet the price of this great national product is fixed by a handful of speculators in a city that handles many times as many million bales of fictitious cotton as the whole world produces of the real, but which every year receives proportionately less and less of the actual product. Every development of transportation such as the "through bill of lading," every growth of an Atlantic port, every establishment of a new steamship line, means economic progress that narrows New York's receipts of actual cotton.

But New York continues to buy and sell millions upon millions of things called cotton bales, but in reality chalk marks and gamblers' checks, at quotations that fix the year's profits or losses for the cotton-picker and the manufacturer alike.

The Commissioner of Corporations gives some valuable information. Best of all is a comparison that shows the right and the wrong conduct of an exchange. New York and New Orleans are both speculative markets. But New Orleans also is a real market. The comparison is instructive.

The worth of cotton depends upon its color, its cleanliness, and the quality of its fiber—in the trade parlance, its "staple" and its "grade." There are eighteen grades recognized in the various markets, ranking up and down from "middling," a term applied to "white" cotton fit not for the finest, but for ordinary manufacturing purposes.

The differences in actual value between the grades above and below "middling" are fixed daily by the New Orleans exchange according to the commercial demand. The committee there meets daily. In New York the committee meets twice a year and fixes ratios not governed by crop conditions, but solely to enable cliques of gamblers to manipulate their game so as to mulct producers in the fall and mills in later months.

The conclusion of the Government report is that—

"The present New York system of fixed differences is uneconomic, in defiance of natural law, unfair, and, like all other attempts to defy natural law, results in such complex and devious effects that the benefit of its transactions accrues only to a skilled few."

But what the Government report does not set forth plainly is that the New Orleans future contract provides that the holder can call for a delivery of cotton of quality that manufacturers will buy, whereas the New York "tenderable" cotton is mainly of the kind that may be used to stuff mattresses, but can not be spun into cotton goods.

In other words, the New Orleans exchange is a commercial one, which justifies its existence, whereas the New York exchange is one in which the actual product is merely a symbol for gambling transactions. Yet the spinners of America, England, and continental Europe base their bids for their raw material upon the fictitious New York future boards.

What the Government investigator should have made plain, but did not, is the fact about what should be called the "check-rack" of New York's cotton gambling house. This is a mass of baled and warehoused stuff, unfit for any manufacturer's use, but "tenderable" under any New York contract.

In other words, on a recent date, when the stock of New York cotton was 84,784 bales, exactly 81,477 bales were of such quality as to be worthless, except for the use of gambling coteries to use in raising or depressing the price at will.

Mr. Chairman, few people realize the influence exerted upon the price of spot cotton by the manipulations practiced on the New York exchange. The States of the cotton section have within the past few years become aroused to the magnitude of the injury being done to the cotton trade, and have by legislation attempted as far as they could to protect the cotton trade, the producer and spinner, from the great hurt that is being done them. But, Mr. Chairman, I do not believe that even we in the South fully realize the extent to which these evil practices have gone.

In this connection notice which within the last few days appeared in the public press relative to the failure of the firm of T. A. McIntyre & Co., of New York City, is interesting and instructive. According to the newspaper account this firm had the reputation of doing one of the largest businesses in cotton futures of any house on Wall street. Mr. Moler, office manager, in an interview following the suspension, said that the firm suffered greatly from the effect of the antioption laws of the Southern States. Before these laws went into effect Mr. Moler said the firm's monthly trading in cotton options aggregated 800,000 bales, but recently their monthly business has not exceeded 50,000 bales. According to this statement the yearly cotton business of this one firm represented more than 9,600,000 bales, an amount equal to 85 per cent of the entire quantity grown in this country in 1907 and 100,000 bales more than the crop of eight years ago.

And, bearing on the same subject, I desire to direct attention to a statement by the general attorney for the Western Union Telegraph Company, made in a hearing before the House Committee on Interstate and Foreign Commerce, in which he said that there were 74,805,000 telegrams transmitted annually, and that "60 per cent of the telegraph business of the country was transmission of information for exchanges, boards of trade, and commercial bodies."

Because of the legislation in the South against this outrageous gambling in the principal product of her people, there has doubtless been and will continue to be quite a falling off of the tolls which those engaged in the traffic have been gathering for the unwary ones of that section. Of course those injuriously affected by this legislation will resent it and do all

that can be done to escape the consequences thereof. Some will fail, as McIntyre did. Others will endeavor to bring about a repeal of these laws and all kinds of specious arguments will be made, all kinds of means adopted to bring about that end. I will again read from the organ of the exchange a line showing the means to be resorted to. It says:

The cotton exchange has decided not to allow its members to send and post quotations in States where trading in futures is not permitted.

This, Mr. Chairman, is intended as a punishment to the Southern people for the effort they are making to protect themselves. It will not succeed. The laws the Southern States have passed to prevent gambling in cotton are on the statute books to stay. Instead of repealing them they will be elaborated and strengthened. The South is determined that no longer will she permit her people to be victimized and despoiled as they have been by these unconscionable gamblers.

Mr. Chairman, in conclusion I desire again to clearly define my position with reference to the cotton exchanges—the one at New York and also the one at New Orleans. I am unalterably opposed to every feature of their business which involves a gamble on the price of this great product. As I have repeatedly said, I doubt whether future trading of any kind for any purpose is ultimately to the interest of the producer, the farmer who grows cotton, or to the consumer, the manufacturer who spins cotton.

I have no sympathy with indiscriminate clamor blindly voiced for the destruction or hampering of legitimate speculation in cotton, but I do insist that such transactions should be based on actual cotton, and must not be mere frenzied gambling on the fluctuation in the price of phantom cotton, inevitably resulting to the serious hurt of millions of people who are unable to protect themselves from the injurious effects thereof. Again I say if the geographical handicap under which New York labors will not prevent her having again an important spot market (but I hear it will) I hope the New York Cotton Exchange may speedily change its uncommercial and uneconomical rules, abandon its unjust and unfair contract which makes to the great advantage of the seller, and once more render substantial aid to the cotton trade. Otherwise, as I said on April 2, if it is impossible for the New York Cotton Exchange to operate its so-called "business" without injury to the legitimate cotton trade then it should go out of business.

Mr. FITZGERALD. Mr. Chairman, I move to strike out the last word. I desire to occupy five minutes on a matter not germane to the bill. During this session there have been several speeches delivered in the House upon various phases of the cotton question. Some of them have been in severe denunciation of the New York Cotton Exchange and of gentlemen who transact business thereon and of the methods of their procedure. It had been my intention before the expiration of this Congress to have taken the time to have replied to the speeches made by the gentleman from Alabama [Mr. HEFLIN], the gentleman from Tennessee [Mr. SIMS], and the gentleman from Texas [Mr. BURLESON].

A careful examination of these speeches, Mr. Chairman, discloses that none of these gentlemen have advanced any arguments different from those advanced more than sixteen years ago when the so-called "Hatch antioption bill" was under consideration. Indeed, without reflecting upon the gentlemen, it seems to me that a careful study of the debates of sixteen years ago on the question of the antioption bill would have made possible an even more formidable opposition to the exchange than has been presented at this time.

Mr. BURLESON. Will the gentleman yield?

Mr. FITZGERALD. I will yield to the gentleman.

Mr. BURLESON. Is it not a fact that the principal objection urged by me against the practice of the New York Cotton Exchange was directed against the rule admitting fixed differences between grades, and that rule has been adopted since the speech made by Mr. Hatch and Senator George?

Mr. FITZGERALD. The gentleman from Texas contends that his chief objection to the practice now in vogue on the New York Cotton Exchange is to the rule whereby what is known as "fixed differences" are made by members of the exchange. It is a well-known rule that lawyers—and the gentleman from Texas is a lawyer——

Mr. BURLESON. And a farmer.

Mr. FITZGERALD (continuing). Make their strongest points first in any argument that they advance. In a pamphlet copy of the speech made by the gentleman from Texas on the question he first makes this objection on page 39, in a speech of forty-six pages. I submit that the gentleman did not appreciate that this rule was the most vital objection that could be made to the exchange until a report, made by the Commissioner of Corporations, after the speech delivered by the gentleman from Texas was published condemning the practice regulated by the rule to which the gentleman from Texas referred.

Mr. BURLESON. Will the gentleman from New York submit one minute? I will read the beginning of my declaration upon that subject:

I now submit for your consideration a rule of the exchange which, in my opinion, operates to do the purchaser and consumer more damage, more serious hurt, than all other things combined.

I read it from their bills, and then I read the rule authorizing fixed differences. My declaration then states what I thought of the fixed differences.

Mr. FITZGERALD. What page is that?

Mr. BURLESON. Page 37.

Mr. FITZGERALD. I submit that if the gentleman believes that that is the most vital objection, he would not have delivered thirty-seven pages of his speech upon other matters before he reached this objection.

Mr. BURLESON. Oh, that is merely preliminary.

Mr. FITZGERALD. Aside from that, for instance, the gentleman called attention to the fact that October futures on the day he delivered the speech were selling at 9½ cents and spot cotton was selling at 11 cents. Of course, in view of the statement of the commissioner of agriculture of Texas about that time that there would be 1,000,000 bales of cotton in October in excess of the demand for cotton, it is easy to realize why, with a surplus lot of cotton available or likely to be available, October futures would sell for less than spots would command at present.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FITZGERALD. I ask unanimous consent that I may proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FITZGERALD. Mr. Chairman, I merely desired to say that since the speeches mentioned by me have been delivered, and which I believe I am able to answer, even to the satisfaction of the gentleman from Texas [Mr. BURLESON], the Commissioner of Corporations has submitted what is known as part 1 of a report in response to a resolution adopted by the House on the 4th of February, 1907. This report deals with cotton-exchange methods of determining differences in price between various grades of cotton in connection with future contracts. The Commissioner of Corporations condemns what is known as the fixed-difference system and commends what is known as the commercial-difference system. It would be easy to discuss and to give legitimate commercial reasons for the adoption of the fixed-difference system.

It might suffice to say for the present that it is the only system known in the coffee trade and the only system known in the grain trade. The report states further, however, that the Commissioner of Corporations will submit subsequent reports which will take up the classification of cotton, the range of grades, and the effect of the exchange rules and other conditions upon the price. Since the Commissioner of Corporations intends to submit three supplements to the report already published, all affecting the same question, it seems to me more appropriate to defer the discussion of the speeches already made and the partial report of the Commissioner until the next session of Congress, when the Commissioner of Corporations will have completed his report.

Mr. BURLESON. Oh, I think the gentleman had better take the full recess in order to do it.

Mr. FITZGERALD. Then, Mr. Chairman, we can discuss this question. My friend from Texas says it is advisable to take the complete recess in order to consider this. Mr. Chairman, there were two speeches published in the RECORD fifteen years ago. If I merely reprinted them in the RECORD at this time, even the gentleman from Texas [Mr. BURLESON] would regret having made the speeches that he has made upon this question, because every argument that he has advanced either as novel or as old brushed up as new are completely refuted in the speeches of which I speak. The men engaged in business on the cotton exchange in New York are engaged in a legitimate business. They are entitled to the presumption that their business is legitimate. Proof of impropriety is necessary; illegality will not be presumed. These men enable my friends from the South—the men represented by the gentleman from Texas [Mr. BURLESON]—to market their cotton at a profit. If the exchange were abolished or if it were impossible for those whom he represents to take advantage of the exchange, there is no doubt that his people would suffer much more than anyone else. I did not wish this session to end without giving notice that at an

appropriate time when the investigation now being made is complete, when all of the evidence is before the Congress, those who are interested from another standpoint in this question will be perfectly ready and willing to debate every phase of it.

I have here a summary of a report by the Commissioner of Corporations; the complete report is not available to Members. It so happens that this report condemns one of the things that the gentleman from Texas discussed as an afterthought in his speech. He now proclaims that the Commissioner of Corporations has adopted his views. I know that the gentleman from Texas desires to discuss this question fairly and fully. It is apparent that neither he nor anybody else is justified in drawing conclusions from the report and testimony submitted to Congress by the Commissioner of Corporations, since the complete report and the evidence upon which it is made is not available for analysis. I hope my friend from Texas will contain his soul in patience. When there is ample time those who differ with him on this question will be willing to take all the time necessary to thoroughly and fully debate it.

The Clerk read as follows:

For payment to the post exchange, Fort Moultrie, S. C., of an amount pertaining thereto, which was erroneously deposited in the Treasury to the credit of "Miscellaneous receipts," $40.

Mr. TAWNEY. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read:

The Clerk read as follows:

Insert as a separate paragraph, after page 26, line 25:

"To provide for the payment by the Secretary of War of the sum of $125 per month to Jennie Carroll, widow of James Carroll, major and surgeon, United States Army, and the like sum per month to Mabel H. Lazear, widow of Isaac Lazear, late acting assistant contract surgeon, United States Army, as provided by law, $3,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The question was taken and the amendment was agreed to.

[Mr. GOLDFOGLE addressed the committee. See Appendix.]

The Clerk read as follows:

For ordnance and ordnance stores, Bureau of Ordnance, 1905, $76.78.

Mr. SULZER. Mr. Chairman, I rise to discuss a matter of much moment to the people of this country. I am now, always have been, and always expect to be, a friend of the American Navy, of its growth, of its success, of its welfare, and of its glory. I believe that this Government should have one of the best navies in all the world—not for offense, but for defense, not to provoke war, but for our protection, and as a guaranty of peace. A strong navy is national peace insurance. To-day, however, we are having much difficulty in getting the right kind of men to enlist in the Navy to man our magnificent ships. The quota is far from being filled. The personnel is not up to the standard of the ships. The Government needs now more men and better men, and the best way to get good men and better men in the Navy is to have a great merchant marine as a training school, and in case of war as an auxiliary navy. A navy without an auxiliary merchant marine is badly handicapped. This Government to-day has a poorer merchant marine than any third-class power in the world, and the reason for it is because we do not enact honest legislation to build up our merchant marine as it should be built up along constitutional lines and in accordance with well-settled deep-sea navigation principles. We have not as good a merchant marine to-day as we had one hundred years ago. We have not the tonnage on the high seas to-day that we had one hundred years ago, and the fault is all our own.

Mr. Chairman, it is a fact, and a most deplorable fact, and every man who has investigated the subject knows it, that we have less registered tonnage for ocean-carrying trade to-day than we had one hundred years ago. In 1808 the United States, with a population of less than 9,000,000 inhabitants, owned more registered tonnage for ocean-carrying trade than the United States in 1908, with a population of nearly 90,000,000. The American tonnage in 1808 was over 900,000, and it is now less than 800,000, and, what is worse still, it showed an actual decrease of more than 6,000 tons last year. In 1808 American ships, flying the American flag and manned by American sailors, carried over 90 per cent of our deep-sea trade and a great part of that of all the countries of Europe. To-day we carry very little of our own trade and practically none of other countries, notwithstanding the fact that we should be the foremost maritime power in the world. More than nine-tenths of our once great and powerful deep-sea fleet has vanished, and not one new keel for an ocean-going ship is being laid to-day on either our Atlantic or Pacific coast, while the vessels of foreign nations throng our ports and monopolize more than nine-tenths of all our import and export commerce.

In 1808 over 92 per cent of our export and import trade was carried in American bottoms; in 1908 less than 8 per cent of our imports and exports are carried in American ships. The United States pays to the owners of foreign deep-sea vessels for conveying our freights and passengers over $200,000,000 a year, and much of this vast sum of money goes to the owners of foreign steamers which are regularly enrolled on the merchant cruiser lists of European governments, manned by naval reserve officers and sailors, and available for immediate service against us in case of war.

It is a matter of much regret that the few Republicans in Congress who control and dictate legislation seek to remedy the situation by ship subsidies, and hence earnestly favor and eloquently advocate a ship-subsidy bill, which is no remedy at all, but a mere temporary makeshift to rob the many for the benefit of the few by taking money out of the pockets of the taxpayers generally and giving it to a few favored individuals. I am opposed to this subsidy policy. The taxpayers, when they understand it, will never consent to it. A subsidy bill at the very best is only a temporary expedient, and no one who understands this subject believes for a single moment that it will ever accomplish what its advocates so vociferously claim.

A subsidy is a bounty, a bonus, a gratuity, and it never has succeeded, and it never will succeed, in accomplishing the purpose desired. All history proves it conclusively. Wherever and whenever it has been tried it has failed. In my opinion, if a subsidy bill should pass it would not restore our American merchant marine or aid materially our shipbuilding industries. It is a waste of time to talk about ship subsidies, and I believe every honest American is absolutely opposed to them. We might just as well pass a bill to pay a subsidy to every man who grows a bushel of wheat, or a barrel of potatoes, or a bale of cotton, or who makes a wagon, or builds a locomotive, as to pay a subsidy to a man who builds a ship or sails a vessel.

The taxpayers of our country, burdened now almost beyond endurance, are opposed to ship subsidies. They are opposed to any gift bill. They say no private business interests should be aided by direct grants from the Treasury. Ship subsidies are subversive of the eternal principles of justice and equality, contrary to the theory of our free institutions, of doubtful expediency, and at war with the spirit of the Constitution. Congress has no power to subsidize any trade or any calling or any business on land or sea at the expense of the taxpayers of our country.

Mr. Chairman, I have always been, and always expect to be, a sincere friend of our shipping industries and an enthusiastic advocate of just and proper and honest legislation that will build up and restore our merchant marine. I believe every true American desires the supremacy of American ships in our overseas carrying trade, but I believe they prefer it along the lines of tonnage taxes, and not by subsidies. They see no necessity of taking money out of the Treasury and paying it to the present trust owners of ships for doing what they are already doing; and those most conversant with the subject even go so far as to declare that this subsidy scheme, if enacted into law, will not lay a new keel in any American shipyard or secure an additional ton of freight of over-seas commerce. Practically every dollar granted will go to the ships now afloat owned by the shipping trust.

Ship subsidies do not build ships—they create ocean-trading monopolies. Ship subsidies will not give workmen employment in American shipyards—the money will simply go into the capacious pockets of the plutocratic beneficiaries of the shipping trust. Every scheme of this kind simply permits respectable corruption and benefits the few at the expense of the many. The principle of ship subsidies is inherently wrong and absolutely indefensible—it is unrepublican, undemocratic, and un-American, and no man who understands the question can justify the steal in the face of the facts. If the Congress should pass a ship-subsidy bill, I believe the people will demand its repeal in less than five years, but I hope the wisdom of this House will never permit such an iniquitous bill to pass.

Now, Mr. Chairman, if we want to restore our merchant marine, and gain our lost prestige on the high seas, we must go back to first principles, and return to the policies of the early statesmen of our country, whose wise and far-seeing legislation in those days made us the mistress of the seas. I have earnestly sought to do this ever since I have been in Congress, but thus far without success. I have a bill now pending and which has been pending for years, which seeks to accomplish in this matter what the people desire. It is a simple yet comprehensive measure for a discriminatory graduated tonnage tax in favor of American bottoms. If it were adopted it would restore our merchant marine and not take one dollar out of the pockets of the taxpayers of our country. I send this bill of mine to the Clerk's desk and ask to have it read in my time.

The Clerk read as follows:

A bill (H. R. 18977) to regulate commerce with foreign nations, so as to equalize the footing of American vessels with foreign, to make preference for the use of American ships in our own trade, to extend the postal service by American steamships, and to promote commercial independence.

Be it enacted, etc., That the law relating to vessels, to the duties laid upon tonnage, and to the ocean mail service in force when this act shall be approved, be, and the same is hereby, supplemented and amended as follows:

PART 1.—TONNAGE DUTIES.

SECTION 1. That all vessels not of the United States arriving at any port under the jurisdiction of the United States, after this act shall take effect, shall be liable for and shall pay additional, or extra, tonnage duties, except as provided in section 2, for the purpose of equalizing the footing of American ships with those of other countries, whose vessels, as a rule, cost much less to build and especially to navigate, that there may be fair and equitable commerce with all countries, proper competition between our own vessels and those of the nations with whom we trade, and a chance for the survival of the marine of the United States.

DIRECT TRADE.

SEC. 2. That no vessel coming direct from her own country, its colony or possession, not stopping at a port of another country, laden with the productions of its own country, or with passengers, in excess of one-third of her burden or capacity for freight or for passengers, to be landed in the United States, shall be charged with additional or extra tonnage duty, except in cases where the country to which she belongs and whence she sailed direct, charges additional or extra tonnage duty, or an equivalent thereof, to vessels of the United States; and in such cases, if any there be, the extra duty of the vessel's country so chargeable shall be added to the extra duty of the United States under this act, and the sum so found shall be the full charge per ton for additional or extra duty to be collected; but if the country to which the vessel belongs, so laden and coming, shall hold out to its vessels by law the payment of bounty, subsidy, or subvention of some sort, in consideration of making voyages like the one in question, then, and in that case, three-fourths of the amount of the gratuity payable as aforesaid, shall be charged and collected as countervailing duty in addition to the regular and the extra duty otherwise chargeable and to be collected: *Provided, however,* That a steamer under postal contract, carrying the mails regularly, shall pay no extra tonnage taxes, unless her country charges such taxes to the mail steamers of the United States, or unless she comes indirect, in which case an equivalent of such tax shall be charged up and collected from her, as additional or countervailing duty.

Clause 1. Every vessel not of the United States that shall arrive direct from her own country, its colony or possession, in ballast, or with merchandise produced there, or with passengers, in a less proportion than one-third of her burden or capacity for freight or passengers, as aforesaid, shall pay a duty on the gross admeasurement, in addition to the regular duty imposed by law, as follows: On all vessels not exceeding 4,000 tons, 25 cents per ton; on all vessels between the sizes of 4,000 and 8,000 tons, 50 cents per ton; on all vessels between the sizes of 8,000 and 12,000 tons, 75 cents per ton; on all vessels between the sizes of 12,000 and 16,000 tons, $1 per ton; on all vessels between 16,000 and 20,000 tons, $1.25 per ton; on all vessels exceeding the size of 20,000 tons, $1.50 per ton.

Clause 2. But if a vessel not of the United States shall arrive direct from her own country, its colony or possession, in ballast, or with merchandise of its production, or with passengers, in a less proportion than one-third of her burden or capacity for freight or passengers, as aforesaid, and the country of said vessel holds out to its shipowners by law the payment of bounty, subsidy, or subvention of some sort, in consideration of making voyages like the one in question, then, in addition to the regular and the additional duties found as provided in clause 2, there shall be added a countervailing duty, which shall amount to one-half the additional duty provided in clause 2.

Clause 3. Surveyors of tonnage shall ascertain and certify to the collector the proportion of carrying ability or capacity occupied by passengers, by freight, and by ballast of any kind, respectively, and no vessel so laden and coming shall be discharged of cargo, except upon acceptance of the report of the surveyor by the master or agent of the vessel.

Clause 4. Every vessel coming from her own country, but bringing cargo the whole or a portion of which has been produced in another or foreign country, shall be considered as engaged in indirect trade, unless seven-eighths of her cargo shall be of home production, and she shall be liable to payment of duties under the provisions of section 3, according to size.

INDIRECT TRADE.

SEC. 3. That a discriminating tonnage duty, based upon the gross admeasurement in all cases, in addition to the regular duty imposed on vessels tonnage by law, shall be levied and collected from all vessels not of the United States that shall arrive with merchandise, passengers or mails to be landed in the United States from countries, colonies, or possessions where the said cargo, in whole or in part, was laden, but to which country, colony, or possession said vessel or vessels do not belong, as follows:

Clause 1. On all vessels exceeding 4,000 tons, the additional duty shall be $1.25 per ton until the 1st day of January, 1910, after which date it shall be $1.50 per ton until the 1st day of January, 1912, after which date it shall be $1.75 per ton.

Clause 2. On all vessels between the sizes of 4,000 and 8,000 tons, the additional duty shall be $1.50 per ton until the 1st day of January, 1910, after which date it shall be $1.75 per ton until the 1st day of January, 1912, after which date it shall be $3.25 per ton.

Clause 3. On all vessels between the sizes of 8,000 and 12,000 tons, the additional duty shall be $1.75 until the 1st day of January, 1910, after which date it shall be $2 per ton until the 1st day of January, 1912, after which date it shall be $2.50 per ton.

Clause 4. On all vessels between the sizes of 12,000 and 16,000 tons, the additional duty shall be $2.25 per ton until the 1st day of January, 1910, after which it shall be $2.75 per ton until the 1st day of January, 1912, after which date it shall be $3.25 per ton.

Clause 5. On all vessels exceeding the size of 16,000 tons, the additional duty shall be $3.50 per ton until the 1st day of January, 1910, after which date it shall be $4 per ton until the 1st day of January, 1912, after which date it shall be $5 per ton. Any vessel violating this section or refusing to pay duties under its provisions as aforesaid shall not be permitted to load or clear with cargo in a port of the United States on penalty of seizure and confiscation.

SEC. 4. That a discriminating tonnage duty, based on the gross admeasurement in all cases, in addition to the regular duty imposed on vessel tonnage by law, shall be levied and collected from all vessels not of the United States that shall arrive in ballast without merchandise, passengers, or mails to be landed in the United States from countries, colonies, or possessions to which said vessel or vessels do not belong, as follows:

Clause 1. On all vessels not exceeding 4,000 tons, the additional duty shall be 75 cents per ton until the 1st day of January, 1910, after which date it shall be $1 per ton until the 1st day of January, 1912, after which date it shall be $1.25 per ton.

Clause 2. On all vessels between the sizes of 4,000 and 8,000 tons, the additional duty shall be $1 per ton until the 1st day of January, 1910, after which date it shall be $1.25 per ton until the 1st day of January, 1912, after which date it shall be $1.50 per ton.

Clause 3. On all vessels between the sizes of 8,000 and 12,000 tons, the additional duty shall be $1.25 per ton until the 1st day of January, 1910, after which date it shall be $1.50 per ton until the 1st day of January, 1912, after which date it shall be $1.75 per ton.

Clause 4. On all vessels between the sizes of 12,000 and 16,000 tons, the additional duty shall be $1.50 per ton until the 1st day of January, 1910, after which date it shall be $1.75 per ton until the 1st day of January, 1912, after which date it shall be $2 per ton.

Clause 5. On all vessels exceeding the size of 16,000 tons, the additional duty shall be $2.50 per ton until the 1st day of January, 1910, after which date it shall be $3 per ton until the 1st day of January, 1912, after which date it shall be $4 per ton. Any vessel violating this section or refusing to pay duties under its provisions as aforesaid shall not be permitted to load or clear with cargo in a port of the United States on penalty of seizure and confiscation.

SEC. 5. That a discriminating tonnage duty, based on the gross admeasurement in all cases, in addition to the regular duty imposed on vessel tonnage by law, shall be levied and collected from all vessels not of the United States, but of a country that holds out to its vessels by law the payment of bounty, subsidy, or subvention of some sort, in consideration of making voyages like the one in question, that shall arrive in ballast without merchandise, passengers, or mails to be landed in the United States, from countries, colonies, or possessions to which said vessel or vessels do not belong, as follows:

Clause 1. On all vessels not exceeding 4,000 tons, the additional duty shall be $1 per ton until the 1st day of January, 1910, after which date it shall be $1.25 per ton until the 1st day of January, 1912, after which date it shall be $1.50 per ton.

Clause 2. On all vessels between the sizes of 4,000 and 8,000 tons, the additional duty shall be $1.25 per ton until the 1st day of January, 1910, after which date it shall be $1.50 per ton until the 1st day of January, 1912, after which date it shall be $1.75 per ton.

Clause 3. On all vessels between the sizes of 8,000 and 12,000 tons, the additional duty shall be $1.50 per ton until the 1st day of January, 1910, after which date it shall be $1.75 per ton until the 1st day of January, 1912, after which date it shall be $2 per ton.

Clause 4. On all vessels between the sizes of 12,000 and 16,000 tons, the additional duty shall be $1.75 per ton until the 1st day of January, 1910, after which date it shall be $2 per ton until the 1st day of January, 1912, after which date it shall be $2.25 per ton.

Clause 5. On all vessels exceeding the size of 16,000 tons, the additional duty shall be $2.25 per ton until the 1st day of January, 1910, after which date it shall be $3.50 per ton until the 1st day of January, 1912, after which date it shall be $5 per ton. Any vessels violating this section, or refusing to pay duties under its provisions as aforesaid, shall not be permitted to load or clear with cargo in a port of the United States on penalty of seizure and confiscation.

SEC. 6. That a discriminating tonnage duty, based on the gross admeasurement in all cases, in addition to the regular duty imposed on vessel tonnage by law, shall be levied and collected from every vessel not of the United States that shall arrive from a country to which it does not belong, whether with or without cargo, passengers, or mails, but under engagement to load cargo, passengers, or mails for another country than its own, or that shall effect such engagement after arrival at a time and while there shall be one or more vessels of American registry in port listed at the custom-house as ready and offering to engage for the same or a similar voyage, as follows:

Clause 1. On all vessels not exceeding 4,000 tons, the additional duty shall be $2 per ton until the 1st day of January, 1910, after which date it shall be $2.25 per ton until the 1st day of January, 1912, after which date it shall be $2.50 per ton.

Clause 2. On all vessels between the sizes of 4,000 and 8,000 tons, the additional duty shall be $2.75 per ton until the 1st day of January, 1910, after which date it shall be $3 per ton until the 1st day of January, 1912, after which date it shall be $3.25 per ton.

Clause 3. On all vessels between the sizes of 8,000 and 12,000 tons, the additional duty shall be $3 per ton until the 1st day of January, 1910, after which date it shall be $3.50 per ton until the 1st day of January, 1912, after which date it shall be $4 per ton.

Clause 4. On all vessels between the sizes of 12,000 and 16,000 tons, the additional duty shall be $3.25 per ton until the 1st day of January, 1910, after which date it shall be $3.75 per ton until the 1st day of January, 1912, after which date it shall be $4.25 per ton.

Clause 5. On all vessels exceeding the size of 16,000 tons, the additional duty shall be $3.50 per ton until the 1st day of January, 1910, after which date it shall be $4 per ton until the 1st day of January, 1912, after which date it shall be $5 per ton.

Clause 6. But if, in addition to coming, as aforesaid, under engagement or making it after arrival, as above, a foreign vessel shall have held out to her by law the payment of bounty, subsidy, or subvention of some sort, in consideration of making voyages like the one in question, then, and in such case, a duty of 25 per cent over and above the rate per ton stated in clauses 1, 2, 3, 4, and 5 of this section shall be levied and collected: *Provided, however,* That if there be no vessels of American register listed at the custom-house at the time of arrival, or of engagement afterwards, as ready and willing to engage for the same or a similar voyage, then tonnage duty shall be payable under section 2, or 3, or 4, according to the circumstances described therein. Any vessel violating this section or refusing to pay duties under its provisions, as aforesaid, shall not be permitted to load or clear with cargo in a port of the United States on penalty of seizure and confiscation.

SEC. 7. That all vessels not of the United States, running under bounty, subsidy, or subvention of some sort, arriving at the Gulf ports of the United States from the Atlantic ports, or vice versa; or arriving at the Pacific ports of the United States from the Atlantic or Gulf ports, or vice versa; or arriving at any port of the insular possessions of the United States, or vice versa, in ballast and without freight or passengers, seeking cargo, shall pay additional tonnage duties for the

privilege thus enjoyed, as follows: On arrival from Atlantic to Gulf ports, or vice versa, 30 cents per ton; on arrival from Atlantic or Gulf ports to Pacific ports, or vice versa, $1 per ton; on arrival from any port of the mainland to any port of the insular possessions of the United States, or vice versa, $2 per ton, gross measurement in all cases. No vessel, not of the United States, shall discharge or take in cargo or passengers without a permit from the collector in each and every case. Any vessel violating this section or refusing to pay duties as aforesaid shall not be permitted or allowed by the collector to load cargo or passengers in a port of the United States.

SEC. 8. That a duty of 50 cents per ton on the gross admeasurement, in addition to the regular duty imposed on vessel tonnage by law, shall be levied and collected from every vessel that shall enter a port of the United States from a port of her own country, either with or without cargo, passengers, or mails, if she has not come direct, but has called or stopped on the way at a port of a country not her own and there, either in or off the port, has received merchandise, passengers, or mails, and the same shall be landed in the United States, unless said vessel has been built in the United States, or is owned by citizens of the United States to the extent of 40 per cent, to be proved to the satisfaction of the collector and the district attorney of any United States court.

SEC. 9. That a tonnage duty, to be termed light tax, of 3 cents per ton on the gross admeasurement of every merchant vessel, not of the United States, that shall enter a port of the United States, shall be levied and collected, in addition to duties required by preceding sections, before clearance for sea, except in case such vessel shall clear in ballast, or may have made port in distress, or was built in the United States.

SEC. 10. That a tonnage duty, to be termed race tax, of 4 cents per ton on the gross admeasurement of every merchant vessel not of the United States, that shall enter a port of the United States and therein discharge merchandise, passengers, or mails, shall be levied and collected, in addition to the duties required by preceding sections, if such vessel shall be manned to an extent exceeding 10 per cent of the crew by persons belonging to a different race of men from the owners of such vessel.

SEC. 11. That the regular tonnage tax referred to in preceding sections shall be paid by all vessels in the foreign trade, whether American or foreign, and be hereafter collected on every entry at the custom-house and computed on the gross admeasurement. The present rates shall be increased from 6 cents to 10 cents per ton, and from 3 cents to 5 cents per ton, respectively. American steamers carrying mails shall pay tonnage tax but once a year.

PART 2.—EXPORT PREMIUMS.

SEC. 12. That all collections of tonnage duties and charges of every sort against vessels of every kind, whether regular, or additional, or countervailing duties, light, race, and immigrant tax, entrance and clearance fees, and permits provided by this and former acts to be levied, collected, and paid at the custom-house, and all fines, penalties, and forfeitures paid into the courts from violations of the navigation and revenue laws of the United States, this act included, shall, after the passage of this act, be set apart in the Treasury as a special fund from which to pay, first, for the support of marine hospitals for American seamen, and, second, for the payment of premiums to exporters of merchandise for giving preference in the employment of vessels to those of the United States not in fact owned by themselves. No part of this fund shall be covered into the general Treasury, but the unpaid portion of it shall be carried over from year to year.

SEC. 13. That on and after fifteen months from the passage of this act there shall be paid, out of the special fund in the Treasury provided for by section 12 of this act, to the bona fide owners and exporters of merchandise the growth, production, and manufacture of the United States, to foreign countries not adjoining the United States, in vessels of the United States registered pursuant to law and not owned in fact by themselves, as follows: A premium of one-fourth of 1 per cent on the cash valuation of each shipment direct to a port not less than 65 miles from the tidal or national boundary of the mainland of the United States; and a premium of one-half of 1 per cent on the cash valuation of each shipment direct to a port not less than 400 miles from the port of departure in the United States; and a premium of three-fourths of 1 per cent on the cash valuation of each shipment direct to a port not less than 1,000 miles from the port of departure in the United States; and a premium of 1 per cent on the cash valuation of each shipment direct to a port not less than 2,000 miles from the port of departure in the United States; and a premium of 1¼ per cent on the cash valuation of each shipment direct to a port not less than 3,000 miles from the port of departure in the United States; and a premium of 1½ per cent on the cash valuation of each shipment direct to a port not less than 4,000 miles from the port of departure in the United States; and a premium of 1¾ per cent on the cash valuation of each shipment direct to a port not less than 5,000 miles from the port of departure in the United States; and a premium of 2 per cent on the cash valuation of each shipment direct to a port not less than 6,000 miles and upward from the port of departure in the United States. These premiums to an exporter shall be payable to his order upon report of the clearance of the vessel, with a statement of the collector of the port fixing the value of the shipment, which must be sworn to by an appraiser for the United States, within ten days, according to such regulations as the Secretary of the Treasury shall prescribe, distances between ports to be determined by the Hydrographic Office of the Navy Department and stated in sea miles.

PART 3.—MAIL CARRIAGE.

SEC. 14. That the postal act approved March 3, 1891, be, and it is hereby, amended to provide and to read as follows:

Clause 1. That the Postmaster-General shall as often as once in each year advertise for informal proposals for the carriage of mails by sea in American vessels between such ports of our own and other countries as to exporters may seem advantageous. The advertisements shall be inserted four times weekly in a paper printed in Boston, New York, Philadelphia, Baltimore, New Orleans, Galveston, Norfolk, Charleston, Savannah, Mobile, San Francisco, Portland, and Seattle, describing the service as that of mail and naval vessels adapted to promote the postal, commercial, and naval interests of the United States and to subserve those of their owners as well. Proposers will state the size and speed of vessels, number of trips yearly, remuneration required, time when service could be begun, and such other particulars as may seem useful for the Government to consider.

Clause 2. That within one month after receipt of informal proposals, the Secretary of the Navy and the Postmaster-General shall together consider their contents, the wants of the Navy and the needs of the postal service, and fix upon a schedule of requirements that will satisfy both interests. The Secretary of the Navy will control the plans for the vessels, and the Postmaster-General will decide upon the postal programme, and the two together shall advertise formally to let contracts for the running of the vessels required. Such advertisements shall be inserted in the same papers that called for informal proposals four times weekly, describing the route, the character of the vessels, the size and speed, the number of trips yearly, the times of sailing, and the time when the service shall begin. These requirements shall not be such that bidders can not be found. The Navy Department shall pay the cost of formal advertising. The letting of such contracts shall be the same as prescribed by law for the letting of inland mail contracts, so far as shall be applicable to vessels. Every contract must have the approval of the President, and none shall exceed the limit of thirty years; but the President may require improved service every ten years.

Clause 3. That the vessels employed under any contract made under this act shall constitute a line, which shall have a sailing day or days, at most, as often as three times a week, but no line shall monopolize the carriage of mails to any foreign port.

Clause 4. That the owners of lines contracting for mail carriage may be persons or corporations, but if the latter, the contract must be with the individuals of the board of directors, who must be citizens of the United States and at all times prepared to swear that not more than 40 per cent of the capital stock of the corporation is held by aliens, and that a citizen manages the line, under penalty of forfeiture of the contract, which, in such case, the President of the United States is hereby authorized to declare. No line shall combine or consolidate with another, under the same penalty.

Clause 5. That the vessels employed under this act shall be commanded by citizens, and at least two officers and two engineers of each vessel shall also be citizens of the United States, and on each departure a portion of the crew, inclusive of firemen, shall owe allegiance to the United States, to wit: During the first year, one-eighth thereof; during the next two years, one-fifth; during the fourth and fifth years, one-fourth; during the sixth and seventh, three-tenths; during the remainder of contract time, one-third thereof. But no mail carrier shall be delayed in sailing to obtain a crew in above proportion until ten years after the passage of this act. It may be stipulated that mails may be brought from abroad, the foreign country paying for the service; also that passengers and baggage and freight may be carried both ways. After July 1, 1910, the mails shall be sent foreign by vessels of the United States and no others, without express consent of Congress; and in cases of need, when private enterprise fails to undertake or carry on the mail service at reasonable or lawful rates of remuneration, the Secretary of the Navy shall have authority, and it shall be his duty, to furnish suitable vessels of the Navy in which to send mails foreign or bring them home, until the further order of Congress.

Clause 6. That all vessels in the postal service and hereafter built for it, shall be prepared to receive arms for immediate use as cruisers, scouts, or transports in time of war; and in future their plans and specifications shall be agreed upon by and between the owners and the Secretary of the Navy, the strength and stability to be sufficient to carry armament required in naval service, and the materials of hull and machinery to be such as will command the highest classification given by American inspection of vessels. And all such vessels hereafter built shall be constructed under the inspection of a naval officer detailed by the Secretary of the Navy, to whom he will report in writing the progress made monthly, whether or not the contract is being well performed, and when the trial trip may be made; and no vessel not approved by the Secretary as fulfilling the contract, as to hull and machinery, shall be accepted for the service.

Clause 7. That the compensation to be agreed upon and paid for such service as may be contracted for under this act shall be reasonable and as low as responsible bidders will perform the same, having regard to the encouragement to vessels provided by this act, to the commercial circumstances in each case, and to the rate of compensation for similar service paid by other countries. Where a bid may be deemed too high, the programme may be modified or the route readvertised, payment for services to be made at the end of each round voyage. If the contract shall fail to be fulfilled for six months, the President may declare it forfeited, and thereupon the route shall be readvertised and let to another bidder, but on no account shall the service be abandoned to other countries. Readvertising shall be done in a paper printed in Washington, D. C.

Clause 8. That upon each mail vessel the United States shall have transported, free of charge, one messenger, whose duty shall be to receive, sort, take in charge, and deliver the mails to and from the United States, and who shall be provided with suitable room for himself and for the mails.

Clause 9. That officers of the Navy may volunteer for service on mail vessels, and when accepted by the contractors be assigned to such duty by the Secretary of the Navy whenever in his opinion such assignment can be made without harm to the service, and while in said employment they shall receive furlough pay from the Government and such other compensation from the contractors as may be agreed upon: *Provided*, That they shall be required to perform only such duties as pertain to the service.

Clause 10. That said vessels shall carry as cadets one American boy under 21 years of age for each 2,000 tons gross measurement, who shall be taught the duties of the service as seamen or engineers, rank as petty officers, and receive reasonable remuneration from the contractors.

Clause 11. That said vessels may be taken and used by the Government as cruisers, scouts, or transports at any time, on payment to the owners of their fair, actual value at the time of the taking, either for service by the voyage, by the month, or year, or may be purchased outright, and if there shall be a disagreement as to the rental or value, then the same shall be settled by two appraisers, one appointed by each party, they selecting a third, who shall act in case the two disagree. In the event of breaking up a line by taking its vessels, the Government shall give the contractors the time necessary to provide other vessels for carrying out their contract when opportunity offers, or the contract may be terminated by mutual consent.

Clause 12. That all vessels, not of the United States, coming with passengers from a country to which said vessels do not belong, shall pay to the collector of the port where landed an immigrant tax of 10 cents for each nautical mile of distance from port to port, for each and every passenger brought from such country, who shall be landed with his or her effects.

PART 4.—GENERAL PROVISIONS.

SEC. 15. That marine underwriters or insurance companies of all countries, in person or through agencies in the ports of the United States, may issue policies on hulls or cargoes in conformity with State regulations, where such have been made, on voyages outward or inward, but any discrimination made by them or their agents, either in the clauses of policies, in the premium rates, or effected through inspec-

tion or classification of hulls or otherwise, which shall tend to favor the employment of foreign vessels or tend to disfavor, embarrass, or inhibit the engagement of vessels of the United States, shall be deemed a misdemeanor, punishable by a fine as a penalty in a district court of the United States. Said fine for the first offense shall not exceed $5,000 nor be less than $3,000; for a second offense said fine shall not be less than $10,000, and for the third offense and each one afterwards said fine shall be not less than $15,000 nor more than $25,000, and suits shall be prosecuted by the attorney of the court aforesaid for each and every violation of this section that may be brought to his notice. In any such suit it shall be no defense that the orders or directions of any person, or the rules and regulations of any association of underwriters, shipowners, merchants, marine surveyors, or their agents, whether citizens or aliens, or that the inspection or classification of any vessel by any person, society, or authority whatsoever, can be claimed to justify the discrimination that may have been the subject of complaint, and which is not to be justified on any grounds. A refusal to insure goods, wares, and merchandise under this act to be carried by American vessels shall forfeit the privilege of doing business in American ports, or make the parties finable as above, to be decided by the court, in a suit brought for the forfeiture of said privilege, which is to be enjoyed under this act only.

SEC. 16. That in a time of peace it shall not be lawful for any officer of the Government to receive tenders of service or to make contracts to be performed by vessels not of the United States, and in all contracts for the performance of public work it must be provided that water transportation shall be performed by vessels of the United States. And the transportation of passengers, mails, goods, wares, and merchandise between the United States, its Territories and possessions, and the ports and places of the Panama Canal Zone is hereby declared to be reserved for vessels of the United States under the coastwise laws.

SEC. 17. That in a time of war it shall not be lawful for vessels not of the United States to import or land anywhere in the United States, its Territories or possessions, any goods, wares, or merchandise, the growth, production, or manufacture of a country not at peace with the United States. And all goods, wares, and merchandise imported by a vessel not of the United States admitted to storage in bonded warehouse is hereby limited to a period of ten days, within which time the lawful duties and charges must be paid, whether entered for consumption or reexportation. In cases where minimum or reciprocity duties are imposed by law on goods, wares, and merchandise imported there shall be levied, collected, and paid full rates of duty, notwithstanding any convention, if the same shall have been brought in by a vessel not of the United States or not of the reciprocating country from which such goods, wares, or merchandise were exported; or if the same, not being the growth, production, or manufacture of a country contiguous to the United States, shall have been brought across the line from such country.

SEC. 18. That on and after the passage of this act it shall be lawful for the space of thirty months, but no longer, for any bona fide citizen, citizens, or domestic corporation engaged in, or intending immediately to engage in, the carriage of merchandise, mails, or passengers in the foreign trade of the United States, to import and enter at the custom-house, stating the foregoing facts under oath, for his or their own use, and that of no other person or persons in said trade, and not to be held for sale or sold to other citizens, and not to be employed in the domestic trade more than two months in the year, any vessel or vessels suitable therefor, of size not less than 2,000 tons gross, and of age not more than five years, and have the same duly registered as a vessel of the United States but upon the following conditions, nevertheless, to wit, that all vessels imported in the first six months of the term of thirty months, as aforesaid, shall pay a duty of $4 per ton gross measurement; those imported in the second six months shall pay a duty of $5 per gross ton; those imported in the third six months shall pay a duty of $6 per ton; those imported in the fourth six months shall pay a duty of $7 per ton; those imported in the fifth six months shall pay a duty of $8 per ton gross measurement, on all vessels less than one year old. A deduction of duty may be made on all vessels according to age beyond one year, to wit, of 5 per cent on those between one and two years; of 10 per cent on those between two and three years; of 15 per cent on those between three and four years; and of 20 per cent on those between four and five years of age. The Treasury Department may allow credit on duties for imported tonnage to the extent of six and twelve months' time on secured notes of owners with interest at 2 per cent per annum. And it shall be unlawful upon penalty, as for a misdemeanor, punishable by fine of not exceeding $1,000 in a district court of the United States, for the master, owner, or agent of any foreign-built freighting vessel or yacht not duly registered, enrolled, or licensed to fly the flag of the Union from or abaft of the aftermost mast, spar, or pole, except as a signal of distress.

SEC. 19. That the making or offering to make a contract for the exclusive carriage of goods, wares, or merchandise, either to or from foreign countries, conditioned partly on the shipment of same in the future by no other vessel or line of vessels, and promising or making of payment of rebates of freightage thereon, in consideration of making such contract, by an owner or agent of any vessel or line of vessels, is hereby declared a misdemeanor, punishable by fine in a district court of the United States of not less than $3,000 or more than $10,000 on each conviction of such owner or agent of any such offending vessel or line of vessels, and if under foreign registry such vessel or line of vessels shall not thereafter be permitted either to land or to load cargo in the United States. Where it may become known to, or suspected by, the collector of any port that rebates of freightage are offered, promised, or paid in an endeavor to engross the carriage of export or import goods, wares, or merchandise, he shall forthwith place the facts, or his information and belief, before the district attorney, who shall take proper steps to ascertain the truth and to break up the practice. And for the prevention of frauds that might be attempted under this act in indirect carrying, foreign vessels not built in the country of registry shall undergo a probation of three years before being adjudged by the collector as belonging in good faith to the country of registration, unless built in the United States.

SEC. 20. That nothing in the act to regulate commerce, approved February 4, 1887, or in the act to protect commerce against unlawful restraints and monopolies, approved July 2, 1890, or in any act amendatory of either of said acts, shall hereafter apply to the establishment of railroad rates or to the changing or publication of the same with respect to foreign commerce, if carried in vessels of the United States; or shall prohibit any agreement or reasonable act with respect to interstate transportation that is not in restraint of commerce with foreign nations or among the several States; or shall hereafter authorize fines for any violation of such acts.

SEC. 21. That, after the 1st day of January, 1909, it shall be unlawful to transport foreign commerce that has been imported, or that is designed for export, at a less rate than is charged between the same points for the transportation of domestic interstate commerce of like character, unless carried in vessels of the United States to and from the same.

SEC. 22. That after the passage of this act it shall not be lawful for any officer of the Government to issue a register, enrollment, or license for any vessel built abroad, except such as have been captured in war and condemned as prize, such as have been forfeited for a violation of the laws and bought at marshal's sale, or may have belonged to a country that has come under the Government of the United States, or become entitled to registry in compliance with this act.

SEC. 23. That the regular duties of tonnage, computed on the gross admeasurement in all cases, and the usual passenger tax shall be paid alike by vessels of the United States and foreign vessels on each and every arrival, in foreign trade, when entry of vessel is made. Immigrant tax shall be paid when permit is given for the landing of passengers from vessels not of the United States brought from countries to which said vessels do not belong. All additional tonnage duties and the light and race tax shall be paid before lading permit is issued, but if loading be delayed, then, at latest, at the end of two months from date of entrance. American vessels carrying crews of which one-eighth the number are citizens or owe allegiance to the United States shall have rebate of tonnage tax to the extent of 20 per cent; if one-fourth of the crew be citizens, the rebate shall be 30 per cent; if three-eighths of the crew be citizens, the rebate shall be 40 per cent; if one-half the crew be citizens, the rebate shall be 50 per cent; if five-eighths of the crew be citizens, the rebate shall be 75 per cent; and if three-fourths of the crew be citizens, the rebate shall be 100 per cent. The United States shipping commissioner shall ascertain and certify to the collector the proportion of citizens in each crew where rebate of tax may be demanded. Regular apprentices, as seamen or engineers, if citizens, shall count as men in computing rebate of tax. In trade to and from tropical countries where it may not be practicable to find any but natives of such regions to fill vacancies in the crews of vessels permits may be issued, on applications under oath of the owner or agent, by the Secretary of Commerce and Labor for one year or while necessary to carry a crew partly such as it may be practicable to engage in any given place. In all cases where vessels may be fined for infractions of law, in accordance with the Statutes, it shall be unlawful for the Secretary of any Department to remit any portion thereof without an order of court duly recorded; and it shall also be unlawful for the Commissioner of Navigation to order refunds of tonnage taxes that have been paid to a collector without trial and judgment of the case.

SEC. 24. That for twelve years from the passage of this act it shall be lawful for the judge of any district court of the United States to grant final papers of naturalization to any seaman of a foreign country who can speak and read the English language on his taking the oath prescribed by law, and swearing also that he has sailed one or more years in vessels of the United States, naming them, and that he intends so to do in the future, naming the vessel that he will sail in next.

SEC. 25. That sections 12, 14, 15, 16, 18, 19, 20, 22, 24, and 25 of this act shall take effect upon its passage, and sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 17, 21, and 23 in one year and thirty days thereafter; and all acts or provisions of law in conflict herewith are hereby repealed; also any and all articles or clauses in existing maritime reciprocity conventions or in treaties, whose time fixed has expired, that are in contravention herewith, are hereby annulled and abrogated, in conformity with the stipulations and equities of said agreements and the rights of the United States; and the formal notice of the Congress of the United States is hereby given to all countries concerned that, in one year from the approval of this act by the President, all diplomatic agreements for the suspension of commercial regulations, or for the forbearance to enact them, so far as the aforesaid agreements are terminable by notice, are receded from on the part of the United States, and all enactments to carry out said agreements are by this act repealed. Any agreement, as above, not yet terminable by notice, may be observed until its term expires, but not longer.

Mr. SULZER. Now, Mr. Chairman, this bill of mine speaks for itself, and I have had it read at the Clerk's desk for the purpose of getting it in the RECORD, so that the people who are interested in this great shipping question can read the bill and judge accordingly. I place this tonnage-tax bill by the side of the ship-subsidy bill and submit the merits of the two measures to the impartial judgment of the taxpayers of the country, confident that the general principles of my bill will be accepted by them in preference to those of the ship-subsidy bill. My bill is a practicable, honest, businesslike measure, and, in the opinion of those most competent to testify regarding this mater, its enactment into law will go far to solve the shipping problem, restore our merchant marine, place our flag on the high seas, and give us ere long at least nine-tenths of our ocean-going commerce.

My bill is a tonnage-tax bill, and the foreigner pays the tax. In other words, all goods brought to this country in foreign bottoms would have to pay a tonnage tax on the ship's gross admeasurement. This being the case, foreign shipowners would have to charge higher freight rates than American shipowners, with the consequence that the American shipowners would get all our ocean-carrying trade. This would create a demand for American-built ships, and the demand would revive our languishing shipbuilding industries, and the revival of those industries would give employment to thousands and thousands of workmen on both the Atlantic and Pacific coasts. Of course no foreign shipowner will commend my bill. No subsidy grabber advocates it. No shipowners' trust favors it. No marine monopoly likes it. Naturally every foreign shipowner is absolutely opposed to it, because every foreign shipowner knows that if a bill like this should become a law in this country in less than ten years the United States would be the mistress of the seas and do the major part of the deep-sea carrying trade of the world.

Sir, I do not expect foreign shipowners to favor my bill, but I know when the question is understood by the taxpayers of our country every patriotic American will be in favor of it in preference to a subsidy bill, which takes money out of the pockets of the people of this country and pays it over in the nature of a gratuity to a special business interest. There is no graft in my bill; no private gain at public expense. It is just a plain, simple, practical, business, maritime measure for a tax on the tonnage of the gross admeasurement of foreign ships.

This bill of mine has met with much favor from people opposed to subsidies and who want to see Congress do something to revive our merchant marine. My measure is a tonnage-tax bill and nothing more. It is not a subsidy bill nor a free-ship bill nor a discriminating-duty bill, and under its provisions it would not take one dollar out of the Treasury of the Government or out of the pockets of the taxpayers of the country. It makes the foreigner pay the tax, and this ought not to be objectionable to the Republicans, because up to very recently they claimed that under the protective tariff the foreigner paid the tax, but I understand they have abandoned that absurd claim and now admit that the consumer pays the tax.

This tonnage tax on the gross admeasurement of foreign ships in favor of American ships is, I believe, substantially in line with the policy of the men who molded our legislative marine history in the early days of the Republic. The bill is indorsed by the American Shipping Society of the United States, of which Hon. W. W. Bates, of Denver, Colo.—formerly United States shipping commissioner—is president, and has been approved by some of the ablest writers and thinkers and political economists in our land. It is a comprehensive bill, but when studied its provisions are very simple, and those who know most about the subject affirm that if this bill were enacted into law it would solve our maritime problem, restore our merchant marine, build up our shipyard industries, place our flag on ships on every sea, and give us a great auxiliary navy in case of foreign complications; and it would accomplish all of this without doing violence to any of the principles of our Government or taking one dollar out of the Treasury or the pockets of the people.

The bill may not be perfect, and if it is not, I shall be glad to do my share to perfect it; but I believe, from a careful study of all bills that have been offered on this subject in Congress for the past ten years, that my bill presents the most speedy and effective remedy. I know it is said by the friends of the shipping trust and the advocates of subsidies that the bill discriminates in favor of American ships against foreign ships; but I reply that we never can build up our shipping industries and restore our merchant marine unless we adopt the policy of free ships, or a policy that will discriminate in some way in favor of our own ships and against foreign ships. The fact is that we discriminate now against our own ships in favor of foreign ships. My bill simply reverses the situation. I sincerely believe that if this bill, or one similar to it, containing substantially its provisions, should be enacted into law, that the United States in a few years would become mistress of the seas, and American ships, built in our own shipyards, would do all of our own ocean commerce besides a great part of the deep-sea carrying trade of the other countries of the world.

Now, Mr. Chairman, this bill of mine has been pending in the Committee on Merchant Marine all winter. I have had it pending in every Congress for the past ten years. Why is it not passed? Because there is no graft in it for any special interest. I have done everything in my power this year to get the committee to favorably report it, but thus far my appeals have been in vain. I indulged the hope at the beginning of this Congress that something would be done ere we adjourned for the American merchant marine along the lines of a graduated system of tonnage taxes in favor of American bottoms and against foreign-built ships. That was the policy of the early days of the Republic, and under it our shipping industries thrived, and American-built ships, carrying the American flag, were seen in every port and on every ocean of the world. If we will repeal the laws against our merchant marine now on the statute books and put in their place the navigation laws of the early days of the Republic, the problems of our shipping industries and deep-sea carrying trade will be solved, and in less than ten years we will have a merchant fleet second to none in the world and through it aid our magnificent Navy and save to the taxpayers of our country millions and millions of dollars every year.

Sir, for many years the leading Republicans favored the policy that I am now advocating. They wrote it in their national platform in 1896, and I hope they will put a plank this year in their national platform in favor of a graduated system of tonnage taxes to restore the American merchant marine. I shall go to Denver, and I will do my best to have such a plank written in the national Democratic platform. If I can have my way, the plank will be about as follows:

We favor immediate action by Congress for the resumption of the shipping policy which prevailed under the first five Presidents and which brought forth and maintained the best merchant marine on the ocean without the cost of a cent to the American people.

We denounce the Republican party in Congress for its willful neglect of our shipping in the foreign trade, Congress having done nothing whatever for its revival since the civil war, except to connive at the passage of unconstitutional and vicious bounty and subsidy bills, utterly useless for the object in view and only a corrupt expenditure of public revenue, really in the interest of foreign nations.

Mr. Chairman, that is the kind of a plank I want to see in the next national Democratic platform, and I will do my best to get it in our platform, because I am now, always have been, and always will be a friend of the American merchant marine. I long for the coming of the day when American ships will be on every sea and our flag gloriously floating on the breeze in every port. I am willing to go as far as any man in this country to legislate for the restoration of the American merchant marine to all its former glory and to secure for the American people their just share of the over-seas carrying trade of the world. As I have said, I do not agree with the reasons advanced by the advocates of a subsidy bill as to the cause of the decline of our merchant marine and the loss to the United States of our over-seas carrying trade. I know, and every man who has investigated this subject knows, that our loss of deep-sea commerce is due entirely to our own iniquitous legislation and shortsighted policies.

If the American Congress would legislate intelligently regarding this subject, we could restore our merchant marine and secure nine-tenths of all our commerce on the high seas, exports and imports, without a ship subsidy or without taking a single dollar from the pockets of the taxpayers to give subsidies to favored shipowners and shipbuilders. This whole subject is a very simple matter when reduced to an intelligent business proposition. We do not need to take a dollar out of the pocket of the taxpayers or out of the Treasury of the United States to revive our shipbuilding industries or restore our merchant marine. All we need to do is to legislate intelligently, repeal the iniquitous laws against our deep-sea shipping now on our statute books, put in their place laws similar to the navigation laws that were enacted by the early statesmen of the country—laws that built up our merchant marine in those historic days—laws that placed our flag on the high seas and gave us nine-tenths of our entire over-seas carrying trade.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GAINES of Tennessee. Mr. Chairman, I move to strike out the last word. I want to inquire of the gentleman from New York what he means practically in speaking about foreign bottoms. I have my own views about it and most everyone else understands it. Now, what does the gentleman mean by that?

Mr. SULZER. I mean by foreign bottoms foreign ships.

Mr. GAINES of Tennessee. Owned by foreigners?

Mr. SULZER. Carrying a foreign flag.

Mr. GAINES of Tennessee. Suppose they are owned by American citizens and carry a foreign flag.

Mr. SULZER. They are foreign bottoms, the flag determines the character of the ship.

Mr. GAINES of Tennessee. If we owned all of the ships in the world and they carried the Cuban flag——

Mr. SULZER. They would be Cuban bottoms.

Mr. GAINES of Tennessee. Well, all right; I understand you. My opinion on this subsidy subject is this: We had a low tariff from 1846 to 1860, when our ships carried from 75 to 85 per cent of the tonnage——

Mr. SULZER. Of our own exports and imports.

Mr. GAINES of Tennessee. Seventy-five to 85 per cent of our exports and imports. Then we had a low tariff, the lowest we ever had since 1812 or 1815—Mr. Blaine said. The tariff of 1846, the Walker tariff, was about 20 per cent, and the people on land and sea prospered as never before—so much so that all political parties in 1857 agreed on the tariff of that year; they wiped out and quit protection. The rates of the act of 1857 were thus reduced to shut off the revenues from an overflowing Treasury. Everybody agreed to the prosperity that these Democratic tariffs brought about.

We never had anybody else clamoring for protection even when we made the civil-war tariffs, but as an incident to and

necessarily in pursuance of those high tariffs we raised the rates to get war revenue to run the civil war. The rates were so high that protection came in inevitably, and under that protective tariff certain classes got a taste of high protection, special interests so profited by it, and *yet the great body of the people never prospered as they had prospered under the Democratic tariff of 1846.*

Now, then, if you want to build up the ships on the sea, reduce the tariff so that the foreign ships can come here with a foreign load that we want to buy. These ships won't come empty. Let them come loaded, and then they will take away an American load that the English people want to buy and we wish to sell. That is the only way we can ever rebuild and restore our ships to the sea without subsidies.

In addition to that the unnecessary, and I may say the hotbed or unnatural, *inducements* that a high tariff gives to the people on the land, induces these people to take their money out of the ships on the sea, and invest in mining and in making steel and iron, which, by the way, all began thriving under a Democratic tariff from 1846 to 1860. [Applause.]

Mr. Chairman, I ask unanimous consent to place some letters in the RECORD touching the tobacco question.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD by printing some letters in reference to the tobacco question. Is there objection?

There was no objection.

Mr. GAINES of Tennessee. Mr. Chairman, I began the investigation of this tobacco tax in the fall of 1901. On March 22, 1902, I introduced a bill (1) to *untax* leaf tobacco, and (2) to allow the grower to *hand* stem and *hand* twist his *own* growth of tobacco. The hand-twist provision would interfere some with the revenues, and we dropped that, and the House in 1903 passed a compromise bill to simply *untax* the leaf. This Tax Commissioner Yerkes said (to the House committee) produced no revenue. The Senate killed this bill, and May 10, 1904, I appealed for my people to Attorney-General P. C. Knox to proceed against the tobacco trust, which lurked behind that tax—but I appealed in vain. Here is the correspondence we had on the subject:

MAY 10, 1904.

Hon. PHILANDER C. KNOX,
Attorney-General of the United States.

SIR: During the recent session of Congress my attention was sharply drawn to the existence and operations of a tobacco trust which I found was exercising absolute control of the markets and of the prices for tobacco raised in my district and in the adjacent country, and elsewhere. It is commonly known as the British-American Tobacco Trust, but technically "The British-American Tobacco Company (Limited)." I have every reason to be most positively convinced that it is now engaged in prosecuting its business in a manner directly in defiance of the statute, restraining commerce between the States and with foreign countries, to the great injury and loss of the tobacco growers and the tobacco business of this country.

This company, it can be definitely shown, is in agreement with the Regie agents in this country, whereby they refrain from competing with each other in buying tobacco, fix the prices that all shall pay, parcel the territory between them, and rigidly abstain from encroaching upon each other's domain; and having absorbed all other concerns into its organization and found means effectively to stifle and destroy all competitors, it has founded for itself an absolute monopoly. The *fact* of this is abundantly apparent. The *proof* of it may be found. The *fact* itself affords most positive presumptive evidence.

In view of the great injuries inflicted upon the people I represent in Congress through the unlawful operations of this trust and its coalition with foreign tobacco buyers, I feel it my duty to call your especial attention to the hearing before the subcommittee on internal revenue of the House at the session of Congress just adjourned, a copy of which is inclosed, and also to a copy of an article that appeared in the Cincinnati Enquirer of September 28, 1902, which together make plain the existence of the several companies and the agreement by which they became a trust and monopoly. I would refer you also to the several speeches made during the session by Messrs. STANLEY, Trimble, HOPKINS, FLOOD, SIMS, and myself, in which all the facts are discussed and which may aid you in discovering the sources of proof.

It is abundantly manifest that all the evils and injuries that the statute meant to prevent are being inflicted by this combination, that it is operating in direct restraint of interstate commerce and foreign trade, and that it is a monopoly in the exact sense contemplated and forbidden by the statute, and in view of the vast injury being inflicted upon our people and the incalculable losses they are being forced to sustain, I desire respectfully to suggest that you cause proper action brought in the courts, civil and criminal, to dissolve the trust, to enjoin its operations, and to punish the individuals who are so flagrantly and contemptuously defying the law.

Very respectfully,

JNO. W. GAINES.

OFFICE OF THE ATTORNEY-GENERAL,
Washington, D. C., May 18, 1904.

Hon. JOHN W. GAINES,
House of Representatives, Washington, D. C.

SIR: Replying to your letter of May 10, relative to the British-American Tobacco Company (Limited), I have referred it with its inclosures to Mr. Abraham M. Tillman, United States attorney for the middle district of Tennessee, with direction to receive any evidence you possess, or that may be submitted by you or others, tending to show a violation of the Federal law relative to restraints on interstate or foreign commerce, and with further direction to report such evidence to me, with his opinion as to its sufficiency to establish a violation of the law.

Yours, respectfully,

P. C. KNOX,
Attorney-General.

DEPARTMENT OF JUSTICE,
OFFICE OF UNITED STATES ATTORNEY,
MIDDLE DISTRICT OF TENNESSEE,
Nashville, Tenn., May 28, 1904.

Hon. JOHN W. GAINES,
Nashville, Tenn.

SIR: I would be glad to receive any evidence that you and others may submit bearing upon an alleged combination in restraint on interstate commerce in relation to the tobacco business.

I am instructed by the Attorney-General of the United States to receive and transmit to him such evidence, with an expression of my opinion as to whether it establishes a violation of the Sherman Act, etc., and would, therefore, be pleased to receive said aid from you or others.

Respectfully,

A. M. TILLMAN,
United States Attorney.

JUNE 27, 1904.

Hon. PHILANDER C. KNOX,
Attorney-General of the United States.

SIR: Yours of the 18th of May was duly received, and I am now corresponding to it earlier than the developments in the case justify because of your early retirement from the office you now hold, in order that you may have time to take such further action in the premises as you may be inclined. The matter is left in most unfortunate plight if your successor shall feel disinclined, out of courtesy to you or otherwise, to change the procedure.

Your letter informs me that you had "referred" my letter and its inclosures to Mr. A. M. Tillman, United States district attorney, Nashville, "with direction to receive any evidence you possess or that may be submitted by you or others tending to show a violation of the Federal law relative to restraints on interstate or foreign commerce, and with further direction to report such evidence to me, with his opinion as to its sufficiency to establish a violation of the law.

Ten days later, I received a letter from Mr. Tillman saying:

"I would be glad to receive any evidence that you and others may submit bearing upon an alleged combination in restraint of interstate commerce in relation to the tobacco business."

It thus appears that you have abdicated one of your prime functions and thrust it upon me "and others."

I do not fail to note that Mr. Tillman confines his invitation to me to evidence relating to interstate commerce, and to "an alleged combination," whereas the most grievous complaint relates to foreign commerce, and there are indications of more than one combination. This may have been thus limited by Mr. Tillman inadvertently, but as he was obeying your written instructions, I take it he had your letter before him as he wrote, and you yourself must have thus narrowed the scope of the inquiry and shut out evidence of any combination restraining foreign trade. It seems improbable that you would purposely do that, but as your action otherwise is even more remarkably incredible, I hesitate to lay the blame or the carelessness upon Mr. Tillman, whom I hold incapable of deceit or sharp practice.

Ordinarily, in any court anywhere it is held sufficient to justify official inquest to be apprised of a *probable* violation of law—*"good reason to believe"* being one of the accepted forms of expression. In view of the fact therefore that I had *already* furnished you with *facts* and *allegations* and *citations* from *reliable* sources and *persons* and had given you sources of information *where you* might gather the evidence that you demand *me* to gather for *you*, I must be permitted to express the most decided opinion that it ought to have given you that "good reason to believe" an offense was being committed which would justify you in setting the machinery of *your* office in *operation to ferret it out.*

In my original letter to you I lodged a most serious complaint, in the name and interest of the tobacco growers of Tennessee and Kentucky, particularly against the British-American Tobacco Company, the amalgamated successor of the Imperial Tobacco Company and the American Tobacco Company, and the Regie concerns, and I recommended that proper action, civil and criminal, be brought to restrain and punish them. The evidence which I inclosed and to which I cited you is in part official, consisting of the hearings before the subcommittee of the Ways and Means Committee of the House when considering several bills "for the relief of the tobacco growers" at the recent session. The witnesses were intelligent tobacco growers and dealers, mainly of Tennessee and Kentucky, including also several Members of Congress familiar with the facts demonstrating unlawful combination. I also referred you to various speeches of Members, wherein a great multiplicity of facts were disclosed conclusively establishing the fact that a combination exists.

In addition I sent you a copy of what purported to be an authorized statement, by cable, of the agreement to combine, which was effected at London September 27, 1902. It was well known that these two great trusts were long at swords' points, and that their fighting ceased and their local agents everywhere in this country ceased to compete. The testimony I furnished you shows, amply and conclusively, the result of that combination and furnishes such indisputable corroboration of the cable I furnished as to render its correctness reasonably certain.

And yet you seem to set this all aside, or at least deem it insufficient to warrant an official inquiry, and would have me and such other citizens as you may feel inclined to do the work devolving upon your Department, under the law and for which Congress equipped you with four new officials and a half-million dollars.

Congress has equipped you richly for this work in men and money. You have the power to compel the attendance of witnesses and to extract testimony, and you are not hampered for means to do it with, which I "and others," upon whom you seek to thrust this burden and great responsibility have no kind of powers in the matter and no public money to pay the expense of it. The "evidence" which you invite us to lay before the district attorney to be by him sifted can not, for these very patent reasons, be nearly as *complete* and full as *you* could secure through *your instrumentalities.*

I have already furnished you with evidence taken before a committee of the House by the very people whom you invite to testify again, and if we should make the attempt, it would probably not be as full and complete as the evidence before that committee, for the reason that I am without your power to summon them and without your means to bear the expense of it. Besides that, if we should present it again, what reasons have we to hope that you will hold it sufficient, else why not proceed upon it?

In your speech at Pittsburg, October 14, 1902, speaking of a similar case, you used the language which shows that you are aware how difficult it would be for me to get the witnesses together and secure such evidence as will satisfy you. You said:

"As the result of information secured with much difficulty respect-

ing this forbidden practice, a number of indictments were obtained against the offending roads and their principal traffic officers."

That evidence was secured through the effective compelling powers of your great office, and yet you say it was got with difficulty. You must know, then, how immeasurably more difficult it will be for me to succeed, and it is apparent that you do not know it as to cast a doubt upon your sincerity now.

On the 5th of January, 1903, you asked Congres to give you additional force and more money, that you might vigorously enforce the antitrust laws, and it promptly responded by giving you two assistants at salaries of $7,000 and $5,000, and two clerks at $1,600 each, and an extra appropriation of $500,000 was given you for this identical purpose—"for the enforcement of the provisions of the antitrust laws, to be expended under the direction of the Attorney-General in the employment of special counsel and agents of the Department of Justice, *to conduct proceedings*, suits, and prosecutions under said acts in the courts of the United States." Your report of January 13, 1904, shows that you had expended only about $26,000 of this half million, and yet, with all that vast fund at your disposal and with those additional assistants and helps, when evidence of most flagrant wrongs upon the people are brought to your attention you fold your official hands and graciously invite the people to take the matter in their own hands, well knowing from your own experience how difficult it will be.

Considering your evident disinclination to enter upon this investigation and your knowledge of the insuperable difficulties in the way of securing voluntary evidence, and your rejection of the evidence with which I have already furnished you, the conclusion is not unwarranted that you do not want to establish a violation of the law and then send his opinion on "its" sufficiency, with "such evidence," to you, and you were to pass upon his opinion and the sufficiency of that evidence to make out a case under the law.

I thought, and still think, that the law required more than this of you, and so I wrote you at length, giving my reasons and seeking to convince you.

In February, 1903, Congress empowered you to employ special counsel and agents to aid you, as the law said "to conduct proceedings, suits, and prosecutions under said acts" (commerce and antitrust acts).

This law directs you "to conduct proceedings"—that is, secure testimony, pertinent, in investigating complaints lodged with your Department under the law. But, instead of this you left "others" and myself "to conduct proceedings for this purpose."

This line of proceedure was too narrow to do justice to this complaint, and I wanted it extended, and I had some apprehension that your successor might, out of consideration for you, or otherwise, leave the inquiry in that plight, and that the trust might thus escape because of my and "others'" inability to hunt out evidence that would satisfy you, and I therefore insisted that you enlarge the instructions to the district attorney here before you went out of office, so that we might effectively proceed.

Judge of my surprise now to find you enlarging those instructions nunc pro tunc, exactly to meet my complaint set forth in my letter of June 27, and then turning to argue the matter with me as if you had done that at first.

You replied to this letter on June 30 as complacently as if it were true that "I sent your letter and the accompanying papers to the United States Attorney at Nashville, with instructions to investigate the subject and report to me with his recommendation, agreeably to the contemplation of the statute as in such cases and in conformity with sound and well-established practice. As part of that investigation I directed Mr. Tillman to receive and consider any evidence which might voluntarily be submitted, etc."

This is directly in variance, with men of candor and "intelligent judgment," with everything you had previously written me.

On May 18 you had written me, "Replying to your letter of May 10, relateive to the British-American Tobacco Company (Limited) I have referred it, with its inclosures, to Mr. Abraham Tillman, United States attorney for the middle district of Tennessee, with directions to receive any evidence you possess, or that may be submitted by you to others, tending to show a violation of the Federal law relative to restraints of interstate or foreign commerce, and with further direction to report such evidence to me, with his opinion as to its sufficiency to establish a violation of the law."

If you had written me on May 18 what you wrote me on June 30, as shown above, I would not have rebelled against your line of procedure. In your first letter you make the distinct statement that the district attorney here was to receive and report up "such evidence" as "others" and myself might furnish him, and on June 27 I took you to task about this line of procedure, and on June 30 you say that you had given the district attorney here "instructions to investigate the subject," and that our contribution of evidence would be considered with and as "a part of that investigation." Did you give Mr. Tillman two instructions at the eleventh hour to meet my complaints?

Surely any intelligent letter writer, surely any one of the two "confidential clerks" Congress recently gave you could have written to me, by your permission, that you had instructed the district attorney here to join the tobacco growers and the people generally in securing this testimony. It did not require such an intelligent lawyer to write such a letter, nor do I believe one did.

I confess a lack of sufficient intelligence of that kind to cope with arguments like this. You labor hard in finding fault with my motives and intelligence for demanding that you do this very thing, which the law requires of you, and then you turn and tell me that you had already done it, in the face of your own statement to the contrary.

If you did do it, as you say you did, and if the district attorney here is now investigating the subject, of which I am not advised, and will make what I and "others" furnish him "a part of that investigation," then you have acknowledged everything that I demanded of you as right and legal.

But did you do it? I trust that you did, but I will not undertake to judge you upon your own accusation of yourself, and if the district attorney here is not investigating the subject, I leave you to escape your own discrepancy.

If you did direct the district attorney, as you say you did, why did you not so inform me in your first letter? Why keep your actions secret? Why withhold from the tobacco growers such important information? Were you not then, as you appear to be now, their friend? Were you afraid of the trusts? Were you afraid the president of the tobacco trust, elected a delegate to the Republican convention, which recently met in Chicago, would turn his guns on the Administration, and if not defeat the renomination of the President, secure his defeat in November?

Your first letter to me was published throughout the country, and led the people, including the tobacco journals, to believe that I, and not you or your Department, was to secure this testimony. Why did you not correct this? Does not your Administration believe in publicity, and have you not permitted the free publication of what you were doing in investigating trusts? Why so much secrecy about this instruction?

Surely, sir, it was not inadvertence that led you into two statements, which I have here shown from the very words of your letters. A man who vaunts his superior wisdom by setting himself up censor of others' intelligence, and proceeds to crush lesser mortals under the weight of his caustic denunciation, ought first to get himself above the possibility of committing slovenly errors himself before pointing out the errors of others.

I must not omit to say, for my own justification, that I entered upon this quest with an ardent, sincere purpose to run the tobacco trust to cover, and make it quit robbing the people, and I had the right to expect the Attorney-General to join me in it, as the law requires of him, instead of fencing with me as if it were politics, especially after the vaunting manner in which the Administration had proclaimed its purpose to do mighty things and set you hotfooted on the merger trail.

But you seem to have lost the scent. My only hope now is that your successor may be less of a politician and more of a lawyer, which my long service with him in the House fairly leads me to believe is true.

I beg to plead guilty to the charge that I would have spent more than you did of the half million dollars given you by Congress "to conduct proceedings, suits, and prosecutions" against trusts. I would have spent more than $127.73 in the beef-trust case. I would not only have enjoined, but indicted it. I suggested to the district attorney in charge of this case, in Nashville, that if he indicted the defendants that he would break up this trust. He said, "If the injunction is disobeyed, we will have them up for contempt." But we see it is still in existence, and not only depressing the price of cattle and raising the price of beef, but is now visiting its heavy hand upon the people of Chicago in other terrible ways, all of which evils might have been avoided if my advice had been followed or you had done your duty in the first instance.

Spend this half million dollars? Yes. For what else was it given? To save and cover back into the Treasury and let the trusts escape? The law gave you all the power and Congress gave you ample funds and explicit directions to act, and now you come felicitating yourself that you have saved the money that you were ordered to spend to conduct proceedings, suits, and prosecutions against the trusts, while the trusts go on ravaging the country and exacting more than Congress gave you every day from an outraged people.

It will be hard to convince the people at this day and time that a Republican Administration saved this money just to save the money and not the trusts.

It may pain you to know that I am accumulating evidences of an unlawful combination described in my complaint of May 10, and that "others" and myself will do our full part in this respect at our expense. The tobacco people are in bankrupt condition, victims of the trust, and are unable to spend much money or time in so doing. They will not "give up the ship," even to please a Republican Administration.

Now, finally, permit me to congratulate you that, even though at the behest of your old enemies, the trust and cross-tie magnates of your trust-ridden State, you have been appointed a member of the United States Senate. Yet I am pained to anticipate you may succeed in placing upon the statute books some of the wise suggestions of your incomparable ideas in amending our antitrust laws.

I am grieved to learn that in vacating the office of Attorney-General the President has been deprived of a charming companion in his political family, but, as the public press states, you "will greatly aid and recompense the President by aiding him in trust legislation in Congress next winter."

And, to be sure, you have cause for congratulations and should not be discouraged in the patriotic suggestions that you so ably set forth in your speech of November 14, 1902, at Pittsburg, wherein you suggested that the antitrust act of July 2, 1890, the so-called "misnamed Sherman act," might be so amended that thereafter it should apply to only "unreasonable" restraints instead of "all restrains," as at present; and that the "courts," which you pronounce the safest arbiters of the people's rights, should be empowered to decide in each case whether or not the restraint complained of is "reasonable or unreasonable."

As a result of this—your patriotic effort—a bill was introduced in the Senate at the present Congress by a leading Republican Senator to despoil this law along the lines of your wise suggestion.

It is true that you may not have been serious in making this suggestion, but a man of your then high position and of "intelligent judgment" and love of the people, which you admit yourself, is supposed to be always serious when he advises the public. According to my code of morals he should be.

Indeed, there may be some who are willing to excuse you for suggesting this amendment to this useful and popular law by saying that you were then bidding for trust influence, for votes, in the November elections of 1902 in Pittsburg and elsewhere, and the trusts' magnates of Pittsburg did not forget you, for in 1904 they came to your aid and comforted you—if the public press of your State is correct—by placing in your hands your Senatorial commission, taking you to the Senate, where it is possible they hoped that your wise suggestions, favorable to them, may not only become the law of the trusts, but the law of the land, as result of a devotion to at least your public utterances in their midst.

But I hope you may exercise you better judgment and incomparable wisdom before it is too late, and insist that this law remain unchanged, for it has stood the test of the courts, was placed on the statute books as the result of patriotic effort and the wisdom and votes of Republicans and Democrats and passed both Houses without a dissenting vote.

And while it has been feebly enforced, the people receiving but little protection from it, yet may they not hope that in the future it may be vigorously enforced, and that these giant combinations, robbing the people throughout our Republic by stifling Federal commerce, fostered under legislation you dare not uphold, may be brought to understand that God-made man has certain inalienable rights, amongst which is an open chance to make an honest living by the sweat of his face, and that it is against good morals and the law for him to be denied the right to exercise this, nature's gift, stifled by these lawless combinations.

JNO. W. GAINES.

DEPARTMENT OF JUSTICE,
Washington, D. C., June 30, 1908.

Hon. JOHN W. GAINES,
House of Representatives.

SIR: I have received your letter of June 27, in which you set forth freely and at length your criticisms of my course respecting your letter of May 18 relative to the British-American Tobacco Company. That letter transmitted to me a newspaper article and a report of a committee of the House of Representatives on the subject of illegal combinations believed to exist in foreign and interstate trade in tobacco.

No man of intelligent judgment could think that the matter as thus presented was ripe for determination by me and for proceedings by way of bill or prosecution, and of this you seem to be aware by your statement that you are writing me again earlier than the developments in the case "justify" because of my retirement from office.

I sent your letter and the accompanying papers to the United States district attorney at Nashville, with instructions to investigate the subject and report to me with his recommendation, agreeably to the contemplation of the statute as to such cases, and in conformity with sound and well-established practice. As part of that investigation, I directed Mr. Tillman to receive and consider any evidence which might voluntarily be submitted, judging that you and other parties interested would welcome an opportunity to aid in making the investigation as searching and complete as possible.

As to the precise form of my instructions, upon which you dwell with somewhat minute scrutiny and a suggestion of suspicion, the scope of the inquiry embraced foreign as well as interstate commerce, and you will find, if it is your intention to give the Government the benefit of what you claim to know about the case, that the district attorney will look into the foreign-commerce aspects of the case with the same care that he will devote to its relations to interstate commerce. Of this you were fully informed in my letter to you which you quote upon the first page of your letter of June 27.

I sincerely hope you will not allow any opinions you may hold as to the sincerity of my motives and the efficiency of my services in endeavoring to enforce the antitrust law to interfere with your giving the district attorney all the information you possess in relation to the tobacco trust. I do not mind in the least your criticisms, as I entertain the common opinion of both your motives and your intelligence.

I do mind, however, your attempt to run away from the responsibility you have assumed in calling upon the Government for aid in making a further investigation of the facts. Of course there is no prospect of successfully evading your obligations to give the Government the benefit of all you know upon the ground that the Attorney-General has power to summon witnesses, as you put it. For surely some one in your district will ask an intelligent lawyer if your statement in this respect is correct, and will be told that it is not. I think the people of the South are entitled to have your charges run to the ground, in doing which, as in the past with respect to vital interests, they will have the willing help of the Department of Justice. So please do not anticipate that the district attorney will draw any line upon his instructions by refusing to accept any testimony that you have, or that the Government will refuse him all assistance in its power at the proper time.

The Sherman Act provides that the district attorney shall prosecute violations of the law under the direction of the Attorney-General. I have referred your complaint to the district attorney of your district, with instructions to investigate it and report results to me with his opinion for my direction. In doing so, I have done my duty under the law as I understand it, and in so doing I have evidently disappointed you.

I now request that you submit your evidence to the district attorney or indicate to him the lines upon which evidence can be obtained. You have made your complaint, and you have had all the assistance the Government can give. It is not my purpose to allow you to get out from under this matter by writing insulting letters to the head of the Department.

I will not undertake the hopeless task of explaining to you why, with $500,000 of the Government's money at my disposal, I had not expended up to the time of my report to Congress to exceed $30,000. It had never occurred to me that the mere power of expending Government funds was in itself a justification for their expenditure. I am satisfied, however, that if you had been in my place you would not be subject to the criticism that you put upon my discretion.

P. C. KNOX, *Attorney-General.*

NASHVILLE, TENN., *August 10, 1904.*

Hon. P. C. KNOX, *Pittsburg, Pa.*

SIR: On my return here, I received in due course yours of June 30, replying to mine of June 27, touching upon an issue which rose between us while you were Attorney-General of the United States.

Your letter occasioned no little surprise to find you wrought to unseemly petulance seeking to extricate yourself as Attorney-General from the labyrinth of inconsistencies into which you had fallen, and in which I exposed you, as such officer, and I would not further excite your irascibility were it not that your last letter distorts the issues between us and my silence might be construed into acquiescence.

When I first wrote you, I indulged in the presumption, hypertechnical, it is true, that you would do your full duty, investigate my complaint against the tobacco trust by yourself, as Attorney-General, securing testimony, and with that testimony and such evidence as I had filed with you make a thorough investigation of the tobacco trust. But you replied, and in effect informed me that you would dispose of the matter upon "such evidence" as "others" and myself would file with your Department; that "its sufficiency to establish a violation of the law" would determine your judgment.

Taking you at your word, our tobacco growers met June 6 and appointed an "evidence committee" to collect all the testimony possible, with "others" and myself to assist them, to be filed with your Department. This committee soon announced that it was meeting with great difficulties, being without equipment to act. But not so with me in collecting the testimony I sought, but in view of the fact that you had unexpectedly determined to resign your office July 1 and the difficulty with which the committee was being confronted my second letter was written with an urgent purpose to persuade you before you vacated your office to institute preliminary inquiry yourself and utitlize the inquisitorial powers at your command in ferreting out evidence upon which to proceed against this trust instead of expecting "others" and myself to do it for you, as suggested in your reply to me of May 18 last.

I sought to show that, in my opinion, it was your province and duty under the law; that you alone could do it effectively, and your full cooperation was imperative, having at your command all the instrumentalities and having furnished you certain evidence and citations in the CONGRESSIONAL RECORDS in your library and other pertinent data, which clearly and unmistakably pointed to the existence of an unlawful combination. I had a right to expect that you, as Attorney-General, after your much-vaunted exploits in the merger case, would seize the opportunity to put this gigantic monster in chains.

The Administration had drawn a flaming sword and seemed eager to have the enemy pointed out that it might smite him hip and thigh, but it seems now that is was not even out after windmills, but was the windmill itself.

In my first letter, May 10, after describing the lawless existence and manner of illegal operations of this trust, I, in part, said:

"It has founded for itself an absolute monopoly. The *fact* of this is abundantly apparent. The *proof* may be found. The fact itself affords most positive evidence," italicising the words "fact" and "proof."

And yet you, in effect, say that I did not expect you to find the proof in the face of such plain language as this. This shows you were totally devoid of candor and fatally bent on mischief.

In my second letter I, in part, said: "In view of the fact, therefore that I had already furnished you with facts and allegations and citations from reliable sources and persons and had given you sources of information where you might gather the evidence that you demanded me to gather for you, I must be permitted to express the most decided opinion that it ought to have given you that 'good reason to believe an offense was being committed which would justify you in setting the machinery of your office in operation to ferret it out,'" concluding my letter with this request:

"Trusting that you may yet have the time before your retirement from office to give this matter your attention and reconsider your determination to escape any action against the tobacco trust by seeking to thrust upon others the duty the law imposes upon you, I have the honor to be, very respectfully, etc."

Whether I wanted you to proceed in court on the testimony I lodged with you or not does not excuse you for not procuring the necessary testimony yourself to show that this complaint is or is not meritorious.

Your unwarrantable assumption of what I wanted done does not excuse you for confining the investigation of this complaint to "such evidence" as "others" and myself should collect and file with your Department; nor does your unwarrantable construction of my language excuse you for mapping out and following a line of procedure whereby this complaint could be dismissed as without merit, because of the insufficiency of the testimony "others" and myself procured and thus filed.

The merits of this and all other similar complaints should be determined upon all the necessary testimony that you, as Attorney-General, could procure to show the absence of merit in the complaint.

I can not bring myself to believe that you indited the second paragraph of your reply seriously. Surely you did not expect to deceive anyone else into believing that I expected you to go to trial on the evidence that I had furnished you. The merest tyro would know that I gave you that in order to show you the sources of proof and to demonstrate to you that strong reason existed to believe that the law is being violated, in order that you might use it as a basis of inquisition. You do violence to your own incomparable intelligence when you thus seek to befuddle others.

And that it was extremely unkind of you to thus place me in such ludicrous plight and then proceed to convince yourself that my motives and intelligence are diseased.

It pains me beyond expression to think that my motives and intelligence no longer excite your admiration, but I console myself with the thought that you discovered my shortcomings while under frenzy and that you may think better of me if the tobacco trust succeeds in escaping.

I trust that you will forgive me if I decline to permit you to obscure the issue you have made, either by personal aspersion or evasion or by changing your original statements.

You informed me in your first note that you had "referred it"—my letter of May 10—with its inclosures, to Mr. Abram M. Tillman, United States district attorney for the middle district of Tennessee, with directions to receive any evidence you possess, or that may be submitted by you or others, tending to show a violation of the Federal law relative to restraints on interstate or foreign commerce, and with further directions to report such evidence to me, with his opinion as to its sufficiency to establish a violation of the law.

It is clear from these, your own words, that you had no idea when you wrote this letter of making any investigation yourself, but that the matter was to turn upon what "others" and myself might furnish the district attorney here.

Mr. Tillman was to first determine "its" sufficiency—the evidence—and that however strong and conclusive it may be, it will be held sufficient to justify you in entering upon the inquiry yourself.

The people in the dark-tobacco regions of Tennessee and Kentucky have been rendered almost bankrupt by the oppressions of the trusts in destroying all competition, buying and fixing prices below the cost of production, and they appealed to Congress for relief, coming to Washington in numbers to testify, and such a strong case did they make that the committee favorably reported a bill and the House passed it without opposition. It was this very evidence that convinced the committee and the House which you reject now as insufficient, and it is these people who have been brought to the verge of financial ruin which you invite to assume a function of your own, to perform a duty which the law devolves upon you, and to do it at their own expense when Congress gave you the money and directed you to do this identical thing.

Your action in advancing the merger case on the docket and prevailing in the suits met universal approbation. Your action in failing to advance the beef-trust cases deserves an equal meed of condemnation. Why should not this trust be brought to account? The exorbitant prices exacted for beef to-day can not fail to be known to you. And now your action in refusing to investigate the evidence offered you against the tobacco trust, after your announcement of reassurance to all the trusts that you did not intend to run "amuck," throws suspicion on your only seemingly meritorious action and makes it seem like the railroads entering into the merger were, like a sop to Cerberus, sacrifices to temporarily appease the people on the eve of election.

Your own report of January 13, 1904, of expenditures is interesting, principally as affording a panoramic view of your waning efforts and diminishing enthusiasm against the trusts. You spent $25,985.06 of the half million voted you, $15,011.08 of which went to salaries for your new aids, $10,823.40 expended in the merger theatricals and $127.73 "Investigating the beef trust." That $127.73, I dare assert, will not repay the extortions of the beef trust for any one day within the past two weeks in the block in which you reside in Washington. But your much-applauded and exploited enthusiasm has dwindled even be-

yond that and gone into total and final eclipse, as you celebrate your retirement by a refusal to expend a cent looking after the tobacco trust.

Trusting that you may have the time before your retirement from office to give this matter your attention and reconsider your determination to escape any action against the tobacco trust by seeking to thrust upon others a duty the law imposes upon you, I have the honor to be,

Very respectfully, JOHN W. GAINES.

Mr. GAINES of Tennessee. Appealing in vain to Attorney-General Knox, I wrote the following letter appealing to the people to aid me:

OFFICE OF JOHN W. GAINES, M. C.,
Nashville, Tenn., July 20, 1904.

DEAR SIR: The Attorney-General of the United States, responding to my complaint made to him May 10, last, that the "tobacco trust" had conspired unlawfully to restrain and monopolize interstate and foreign trade and commerce in tobacco and control prices, to the great injury of tobacco growers, and suggesting that he "cause proper action instituted in the courts, civil and criminal, to dissolve the trust, to enjoin its operations, and to punish the individuals who are so flagrantly and contemptuously defying the law," invited me "and others" to lay such facts and circumstances as would tend to substantiate the charges, which come within my knowledge or the knowledge of any of our people, before the district attorney at Nashville, that it may be determined whether or not the powers of the courts could be invoked as suggested.

Thereupon a mass meeting of tobacco growers was called and assembled at Springfield, Tenn., early in June, where the matter was considered, resulting in the creation of an "evidence committee," the chairman of which is Mr. Felix G. Ewing, Glenraven, Robertson County, Tenn., with instructions to investigate and ascertain as nearly as practicable what proof exists and can be adduced in court tending to show that a combination or agreement exists between any of the several tobacco companies that buy tobacco in this country, how far and in what respect it attempts to restrain such trade and commerce in tobacco, monopolize buying, and control prices.

The committee must know the facts and circumstances exactly as they can be sworn to, in order that the persons knowing the same may be called to testify to them in court. It is not assumed that any of our people know of their own knowledge that such agreements were made. None of us were present or parties to it, and of course we can not swear to it, but all of us may know facts and circumstances clearly pointing to and indicating such an agreement and which will constitute circumstantial evidence of its existence. The fact that such an agreement was made is predicated on evidence we are trying to secure, in addition to other data tending to show, or actually showing, that the tobacco buyers are acting under such agreement and not in competition.

Conspiracies are rarely established by direct proof of the agreement, but the very strongest evidence is always found in the subsequent actions of the parties.

The Attorney-General having thrown upon me the burden of discovering the proof and the persons who know the circumstantial facts that go to prove an unlawful combination, and invited me "and others" (meaning you) to furnish the same to the district attorney at Nashville, I have decided to comply with that invitation in conjunction with the evidence committee by asking you to furnish its chairman (Mr. Ewing) with such facts as you may know, by responding to the following questions as far as you can, stating only such things as you would be willing, if called upon, to swear to in court:

1. Name the tobacco companies, firms, agents, or persons who were the principal buyers of tobacco raised in your vicinity previous to 1902.
2. Name the companies, etc., now buying that tobacco.
3. Is there now competition in buying; and if not, when did it cease?
4. Did competitive buyers visit your neighborhood or your county towns previous to 1902, and do they do so now?
5. Has the change affected prices, and how?
6. What restrictions or restraints are now placed by buyers upon trade and commerce in tobacco?
7. For what market is your tobacco bought?
8. Were there competitive buyers from that market previous to 1902, and is there competition now? State fully in detail.
9. State specifically who and how many companies, firms, agents, or persons used to buy your tobacco, who and how many of them are now buying, and when any of them quit buying.
10. Have you ever heard any agent of buyers or companies make any statement about an agreement between tobacco companies? If so, state who, and when, and what he said.
11. State several different circumstances coming within your knowledge relating to your own sales, or to sales by your neighbors or others, in which it appeared that competition had been eliminated. Give several incidents of this kind.
12. State any fact of any nature coming within your knowledge tending to show that an agreement exists between buyers, that competition has been done away with, or that any restraint has been placed upon the sale of tobacco for shipment to another State or abroad.
13. State fully the manner of selling previous to 1902, and the manner of selling now, and what effect it has had upon prices and an open market, and how and in what respect it has limited or placed restraint upon trade and commerce in tobacco.

Please respond categorically, numbering your responses to conform to the questions. Be concise and clear, giving facts, writing plainly, and attach it to this and mail it to Mr. Ewing as early as practicable. Please reply to every question. They may seem to be repetitions, but each has its separate purpose and importance. It is very much hoped and desired that you take a lively interest in this matter and that you will not fail to respond because others are doing so. We want to make a convincing and a convicting case.

Very truly, yours, JNO. W. GAINES.

The Clerk read as follows:

BUREAU OF SUPPLIES AND ACCOUNTS.

For expressage, fuel, books and blanks, stationery, advertising, furniture and interior fittings for general storehouses and pay offices in navy-yards; coffee mills and repairs thereto; expenses of naval clothing factory and machinery for same, postage, telegrams, telephones, tolls, ferriages, yeoman's stores, safes, newspapers, ice, and other incidental expenses, $10,000.

Mr. WEEKS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Insert the following after line 2, page 36:

"The Auditor for the Navy Department is hereby authorized and directed to credit in the settlement of accounts of Paymaster Herbert E. Stevens the sum of $2,760.88, being the value of clothing and small stores stolen from him by Chief Yeoman Oscar S. Kelly, United States Navy, and which had been charged against his account on the books of the Treasury Department."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

MISCELLANEOUS.

The Secretary of the Navy is authorized to employ and pay, during the fiscal year 1909, out of the lump appropriations of the several bureaus of the Navy Department, such classified civil-service employees as may be necessary to properly perform the clerical, drafting, inspection, messenger, and other classified work at the several navy-yards and stations: *Provided*, That the Secretary of the Navy shall submit to Congress detailed estimates for all such classified civil-service employees that may be required to be employed during the fiscal year 1910, and annually thereafter, and no such classified civil-service employees shall be employed during the fiscal year 1910, or in any subsequent fiscal year, and paid from such lump appropriations except under specific authorization granted by law from year to year based upon estimates as herein required.

Mr. SLAYDEN. Mr. Chairman, I would like to ask the gentleman from Minnesota a question. I see that you provide that hereafter there shall be specific estimates submitted for the ensuing fiscal year. Has it been the practice heretofore to appropriate lump sums and permit it to be allotted and expended?

Mr. TAWNEY. At the present time there are between twenty-five and twenty-eight hundred classified naval employees in the various navy yards, all of whom are paid out of lump-sum appropriations. A similar provision to this was carried in the general deficiency bill at the last session.

Mr. SLAYDEN. Was it done?

Mr. TAWNEY. It was done. They are paid out of lump sums during this year, but the Department was required to submit a detailed statement of the number of people and the salaries paid to each out of these lump sums, with the hope that the Committee on Naval Affairs would take the matter up and provide specifically for these people as we provide specifically for the employees in the classified service of the various Departments at Washington. This was not done. At that time it was supposed that this was a permanent law, but the Naval Committee were not certain, so they repeated the same provision in their bill this year for the next fiscal year, but a point of order being made in the House, it went out and was not inserted in the Senate.

Now, the Department is somewhat at sea to know whether they can, during the next fiscal year, pay the classified employees out of these lump-sum appropriations. They asked us to insert that authority again, and we coupled with it the proviso that they should submit detailed estimates for these people, and then the Committee on Naval Affairs can recommend specific appropriation in the next naval appropriation bill.

Mr. SLAYDEN. I sincerely hope that the provision will become permanent law, and that they will be compelled to estimate for them in detail.

The Clerk read as follows:

CAPITOL BUILDING AND REPAIRS.

The unexpended balances of the appropriations of the fiscal years 1907, and 1907 and 1908, is hereby reappropriated and made available for the fiscal year 1908, for payment of the items disallowed and suspended by the Auditor for the Interior Department against the appropriation Capitol building and repairs, 1907 and 1908, amounting to $2,005.91, and for work at Capitol, and for general repairs thereof, including flags for the east and west fronts of the center of the Capitol, flagstaffs, halyards and tackle, wages of mechanics and laborers, purchase, maintenance, and driving of office vehicle, and not exceeding $100 for the purchase of technical and necessary reference books.

Mr. CLARK of Missouri. Mr. Chairman, I would like to ask the chairman of the committee a question. On page 40, line 12, I find the following language:

Unexpended balances of the appropriations of the fiscal years 1907, and 1907 and 1908, is hereby reappropriated and made available for the fiscal year 1908.

How much does that amount to?

Mr. TAWNEY. I can not state to the gentleman the exact amount of this balance. It is something between $7,500 and $8,000.

Mr. CLARK of Missouri. That is practically an appropriation in addition to the appropriation made in the lines just above.

Mr. TAWNEY. Yes. But there are two appropriations made in the year 1907, and there is a balance in each appropriation, and that is the reason that the words "nineteen hundred and seven" are repeated.

Mr. CLARK of Missouri. It is the only instance of any of the Departments having any money left over?

Mr. TAWNEY. Well, that would be pretty hard to answer. The matter of having money left over may be rare, nevertheless it sometimes occurs, and I would not want to say whether it is the only instance or not.

Mr. CLARK of Missouri. I think they ought to have a medal.

The Clerk read as follows:

To pay the Potomac Electric and Power Company for furnishing electric current for House Office Building for the months of January, February, March, and April, and for estimated sum required for electric current for the months of May and June, 1908, $15,130.

Mr. CLARK of Missouri. Mr. Chairman, I want to ask another question. I want to know if we did not have a bill offered here not long ago to authorize some one company to light all of the public buildings in the city of Washington?

Mr. TAWNEY. I would say that we proceeded as far as we could. We reported a provision in the sundry civil appropriation bill authorizing the Secretary of the Treasury to enter into a contract for that purpose, but it was not in accord with the rules of the House, and it went out on a point of order.

Mr. SLAYDEN. Would it have effected a saving for the Government?

Mr. TAWNEY. Unquestionably it would have.

Mr. SLAYDEN. An important one?

Mr. TAWNEY. Yes.

The Clerk read as follows:

Legislative.

Mr. LOUDENSLAGER. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

After line 16, page 51, insert the following:

"To enable the Secretary of the Senate and the Clerk of the House of Representatives to pay to the officers and employees of the Senate and House, borne on the annual and session rolls, on the 1st day of May, 1908, including the Capitol police, the official reporters of the Senate and House, and W. A. Smith, CONGRESSIONAL RECORD clerk, for extra services during the first session of the Sixtieth Congress, a sum equal to one month's pay at the compensation then paid them by law, the same to be immediately available."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

To pay L. W. Busbey for services as clerk of the Committee on Rules, $1,000.

Mr. GRANGER. Mr. Chairman, I raise the point of order to this paragraph which has just been read. The paragraph is to pay L. W. Busbey for services as clerk of the Committee on Rules $1,000. Mr. Chairman, it is undoubtedly true that Mr. Busbey is a very efficient secretary to the Speaker. He adds to that office, an office which is the second perhaps in the United States, a dignity which has always been considered to accompany it, and if it is ever lacking it is supplied on those occasions by the Speaker's secretary, but the Speaker's secretary is paid $4,000 a year for his services. If his services are not sufficiently paid by $4,000, then I should be perfectly willing to consider favorably a proposition to increase them, but I do object to increasing salaries indirectly in this manner. Everybody knows that the clerk——

Mr. TAWNEY. If the gentleman will pardon me, I would state that this is not an increase of salary by indirection. The gentleman referred to serves in two capacities, as clerk or secretary of the Speaker, and also as clerk to the Committee on Rules, and for twenty years at least the Congress has appropriated this amount to pay the services of the clerk of the Committee on Rules, and there has never been any question about it being for the purpose of increasing his salary as secretary of the Speaker. It is to compensate him for his services which he has actually rendered to the committee.

Mr. GRANGER. Will the gentleman say that he considers the services rendered by Mr. Busbey as clerk to the Committee on Rules are worth $1,000 a year?

Mr. TAWNEY. I am not passing judgment on the value of his services, but I will answer the gentleman by saying that, in my judgment, as clerk of the Committee on Rules Mr. Busbey's services are worth more than are the services of half of the clerks to the committees in this House.

Mr. GRANGER. That is not the point here.

Mr. SHERMAN. Will the gentleman yield to me?

Mr. GRANGER. I can not yield to the gentleman. I asked the gentleman from Minnesota if he considered Mr. Busbey's services were worth $1,000 a year. The gentleman from Minnesota is the chairman of the Committee on Appropriations. Does he mean to say that he is coming here and recommending the salary of a clerk when he is not willing to stand up and say that the services of the clerk are worth that salary? I should like to have the gentleman tell us how many times the Committee on Rules has met during the year, whether it has met ten times, whether the clerk's services are worth $100 each time, whether they have had hearings which have required the services of a clerk. I should like to have him tell us what the services are which Mr. Busbey has performed.

If $4,000 is not enough for Mr. Busbey, I am perfectly willing to vote for $5,000 if the gentleman from Minnesota will say that is the proper sum he should receive. But the Committee on Rules, Mr. Chairman, it is to be remembered, have been relieved from a large portion of their work at the present session of Congress by the action of the majority in suspending all rules, so it is not necessary for the Committee on Rules to even meet to bring in a rule here. I should be glad, Mr. Chairman, to have the gentleman tell us why he considers Mr. Busbey is deserving of this money.

Mr. TAWNEY. I beg the gentleman's pardon; did he address a question to me?

Mr. GRANGER. I simply asked the question, Mr. Chairman, in fact, I asked several questions of the gentleman—why he brought in a recommendation for a salary here which he, as chairman of the Committee on Appropriations, did not consider proper?

Mr. TAWNEY. I have not. The Committee on Appropriations have recommended this not only because they think the service was worth the amount provided, but also because for twenty years the House, or the Committee on Appropriations, has made a similar recommendation.

The CHAIRMAN. The Chair would like to have the gentleman from Minnesota say whether or not there is any law or resolution fixing this amount.

Mr. TAWNEY. I will say to the Chair that the Committee on Rules is authorized by the rules of the House, the same as every other committee is, and one of the incidental services to a committee is that of the clerks to every committee of the House. There is no specific law authorizing the appointment of clerks to any committee of the House. There may be a resolution brought in here authorizing the appointment of clerks to some committee during the session, but the clerks are provided for and are a necessary part of a committee in order to enable the committee to perform properly its work.

The CHAIRMAN. The Chair thinks, in the absence of any law or in the absence of any resolution——

Mr. SHERMAN. Mr. Chairman, if I may be permitted just a moment, I want to ask my friend from Rhode Island to withdraw his point of order and not subject the Chair to the possible embarrassment of ruling upon it. And if I am permitted one moment to say to him as a member of the Committee on Rules that Mr. Busbey does render material and valuable services to the committee; that we have had more than ten meetings during this Congress, and that we have had hearings; that Mr. Busbey does prepare the reports of that committee, and that I think, as a member of that committee, $1,000 is not at all excessive compensation for the services he renders to the committee, and I hope, Mr. Chairman, that the gentleman from Rhode Island, in view of these facts, will withdraw his point of order.

Mr. SLAYDEN. Will the gentleman from New York permit a question?

Mr. SHERMAN. I certainly will.

Mr. SLAYDEN. Disregarding the personality of Mr. Busbey, who is an exceptionally capable man, does the gentleman believe that the labors comprehended in that position justify the appropriation of a thousand dollars a year?

Mr. SHERMAN. I believe that the services of a man capable of filling the position at all times are fully worth $1,000.

Mr. SLAYDEN. To the committee?

Mr. SHERMAN. To the committee; I do. There are times in certain periods of certain Congresses when the incumbent of the position does not of necessity devote a considerable portion of his time to this work. There are other times when he must devote a very considerable portion of his time, and I think when you consider that and consider the ability that a man must possess to properly fill that position, that this compensation is very moderate. Will the gentleman from Rhode Island listen to my appeal; will he give answer to my appeal? I appeal to the gentleman to withdraw his point of order.

Mr. GRANGER. Well, Mr. Chairman, so long as the gentleman from New York, a member of the Committee on Rules, has stated that in his opinion Mr. Busbey earns the salary which is paid to him here, I am willing to withdraw the point of order. I could not do so as long as the chairman of the committee could not answer me. [Applause.]

The Clerk read as follows:

To pay William Tyler Page for compiling, indexing, and preparing for publication all labor legislation by Congress, Executive orders, decisions, and all matter pertinent thereto, $2,500, and of said work 6,000 copies shall be printed, 2,000 for the use of the Senate and 4,000 for the use of the House of Representatives.

Mr. GRANGER. Mr. Chairman, I wish to reserve the point of order on this paragraph. There can be no question but what this is new legislation. Mr. Chairman, the gentleman, as I understand it, to whom this money is to be paid, and I ask the chairman of the Committee on Appropriations to correct me if I am wrong, is already a clerk to a committee in this House, is clerk to the Committee, I am informed, on Accounts. Am I right?

Mr. TAWNEY. That is right.

Mr. GRANGER. I am also informed, Mr. Chairman, that he is clerk to a Member of this House. I know that he has sufficient time, Mr. Chairman, to join the ranks of the Republican spellbinders and to go far from his home in Maryland, which I have no doubt is a very delightful one, and come up to the cold and rocky State in which I live, and there, Mr. Chairman—I will not say with what success, that speaks for itself for I am still a Member of this House—to carry on the work of a spellbinder. I do not speak with any feeling against the gentleman on that account, Mr. Chairman, because I am glad to say that the year in which Mr. Page, clerk of the Committee on Accounts of this House, saw fit, as an employee of this House, to go out of his district and into another State while he was in the employment of this House, receiving pay which the Members of this House voted him, to go on the stump in opposition to the reelection of a Member of this House——

Mr. TAWNEY. Does the gentleman make the point of order?

Mr. GRANGER. That is not the reason I made the point of order.

Mr. TAWNEY. I make the point of order that the gentleman is not discussing the point of order.

Mr. GRANGER. Will you not allow me to finish my sentence?

Mr. TAWNEY. No.

Mr. GRANGER. Well, I will make the point of order; and there is no question about the paragraph being subject to the point of order.

The CHAIRMAN. The Chair is ready to rule.

Mr. GRANGER. It is for compiling, indexing, and preparing for publication certain legislation by Congress, Executive orders and decisions, and so forth.

It does not say decisions of what. It is most loosely drawn.

Does the Chair desire any further argument on the point of order?

The CHAIRMAN. The Chair is ready to rule, and sustains the point of order.

The Clerk read as follows:

For the fiscal year 1908, including a sufficient sum to pay the Acting Public Printer the difference between his salary and the salary of the Public Printer from the date of suspension of the Public Printer to the date of the qualification of his successor, and to reimburse him the amount he paid for his bond as Acting Public Printer, $500,000.

Mr. FINLEY. I move to strike out of line 15 on page 66 the words "five hundred thousand dollars." I will ask if that is not a misprint or error. I do not understand why $500,000 should be necessary for the purposes mentioned in this section.

Mr. TAWNEY. That is for a deficiency of $500,000 in the appropriations for public printing and binding; and out of that the Acting Public Printer, who is the Deputy Public Printer, and who has for several months been and will have to continue for several months to serve as Acting Public Printer, to receive the same rate of compensation as the Public Printer, which is $5,000 a year.

Mr. FINLEY. But it says $500,000. I understand now that it was necessary for all the preceding items.

Mr. TAWNEY. It is for all the preceding items of deficiency for public printing.

Mr. FINLEY. I withdraw the pro forma amendment.

Mr. PERKINS. I move to strike out the last word for the purpose of asking the chairman of the Committee on Appropriations whether he can give the House any information as to why there has to be a deficiency of over $500,000 for the Printing Office.

Mr. TAWNEY. I stated in the beginning of the reading of the bill that the deficiency arises out of the fact that the estimates for expenditures of the Printing Office during this fiscal year were much less than they ought to have been.

Mr. PERKINS. Were they less than they ought to have been, or were they less than the amount that was spent by the Public Printer?

Mr. TAWNEY. The estimates were less than they should have been.

Mr. PERKINS. Why does the gentleman think that?

Mr. TAWNEY. Because the amount of work that has been done during the year and the cost of that work has been in excess of what they estimated it would be, both as to the amount and as to the cost.

Mr. PERKINS. Do you know whether it is not in large part due to the fact that the purchase of material of several sorts ran up several hundred thousand dollars?

Mr. TAWNEY. There has been an increase in the price of all materials used by the Public Printer.

Mr. PERKINS. But the purchases made were very much larger than anyone supposed would be made.

Mr. TAWNEY. The gentleman's committee has made an investigation of that matter, and he knows more about it than I do. Our information, given by the present Acting Public Printer, is to the effect that the deficiency is not due to any excess of price over the best market price for these various articles covered in this item.

Mr. PERKINS. All I desire to say to the chairman of the committee is that we shall certainly endeavor at the next session to obtain legislation which will very largely increase the control of the Committee on Printing over the Printing Office, and I believe that if such legislation—I hope the gentleman will not oppose it—is passed, there will not be a necessity for a deficiency of $700,000 in the Printing Office.

Mr. LANDIS. I move to strike out the last two words. I would say, referring to the statement just made by the chairman of the Committee on Appropriations, that I do not think that the fact that this deficiency is called for is due to the fact that the appropriations made for this fiscal year were less than the estimates submitted for the last fiscal year.

Mr. TAWNEY. I did not say that the appropriations were less. I stated that the estimates were not what was required. They submitted estimates too low. We appropriated all they estimated.

Mr. LANDIS. Yes. And it seems to me, Mr. Chairman, that this would be a good time to call the attention of the committee to the excess of expenditures over the estimates made by the Public Printer. For instance, in 1907 the estimates submitted by the Public Printer for presses, composing and other machinery, was $90,000. The total expenditures, including miscellaneous plant items, were $388,000. The estimates submitted by the Public Printer for the year 1908 for machinery, type, tools, and implements was $80,000—for the year.

But the first six months he spent for presses, composing and other machinery, and miscellaneous plant items $498,373.64. In other words, the total estimates for three fiscal years were $370,000 and the total expenditures, aside from miscellaneous plant items for the two and a half years, were $998,349.82, and including miscellaneous plant items $1,234,189. It strikes me that the time is about ripe for the Government Printing Office to be held to its estimates and not permitted to run in excess, as they have been running during past years. Congress should appropriate for these expenditures in the same manner that it appropriates for other Government expenditures, and not permit expenditures for machinery from appropriations based on estimates for other purposes.

Mr. TAWNEY. Is the gentleman referring now to the Printing Office or is he referring to the estimates submitted for printing by the various Departments?

Mr. LANDIS. I am referring to the estimates submitted by the Public Printer.

Mr. TAWNEY. He does not estimate for the Departments, and in nearly all the Department appropriations for printing this year there is a deficiency, owing to the increased cost of printing, as they say.

Mr. PERKINS. The Public Printer estimates for machinery; the gentleman from Indiana is right.

Mr. LANDIS. These estimates are for presses, composing and other machinery, and miscellaneous plant items. This does not include the item to which the gentleman from Minnesota refers at all. This includes the machinery, the miscellaneous plant items installed in the Government Printing Office, and shows an excess of actual expenditures over the estimates submitted that is simply riotous in the aggregate.

I would say that as the law now stands there is no check whatever on the Public Printer in the matter of expenditures along this line. He is under the supervision of the Joint Committee on Printing in the matter of purchasing paper, for which annual bids are submitted and contracts awarded. But in the matter of expenditures of this character he can to-night between the hours of half past 9 and half past 10 o'clock, expend from $275,000 to $500,000 for typesetting machinery and other fixtures in the Government Printing Office. He can even go further; he can bind the Government, if he sees fit, in a contract for machinery to the entire amount of his appropriation made for wages, paper, and other purposes.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. FITZGERALD. I ask unanimous consent, Mr. Chair-

man, that the gentleman's time be extended five minutes. I desire to ask him a question.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Indiana be extended five minutes. Is there objection?

There was no objection.

Mr. FITZGERALD. The gentleman's committee has jurisdiction of legislation affecting the Printing Office. Why does it not, after the investigation he has made, recommend some legislation to Congress and have it enacted?

Mr. LANDIS. I will say to the gentleman from New York that the Committee on Printing has investigated it, and that in my short career I never have faced as many complex problems as there seem to be in the Government Printing Office. We have made great headway. We feel that the legislation that we have recommended, in fact, we know, has resulted in great saving to the Government. For instance, by the operation of the two joint resolutions which we had enacted into law, known as "resolution No. 13" and "resolution No. 14," in the Fifty-ninth Congress, first session, the total number of pages saved by printing in editions instead of printing the full number amounted last year to 279,598,837, equivalent to 511,197 volumes of 500 pages each, and which but for the operation of these joint resolutions would have been printed and piled up in the warerooms of the Government.

On five items alone, including the bound edition of the CONGRESSIONAL RECORD, the Yearbook, the publications of the Geological Survey, the education report, the Abridgment of Messages and Documents, we saved an amount in dollars and cents equal to $140,936.41. The bound edition of the RECORD for both sessions of the Fifty-ninth Congress were printed in the same fiscal year. These copies heretofore had been printed for Senators and Members who did not call for them, and they are on storage in the warehouses. That printing has been cut off, and in these five publications alone there has been saved during the last fiscal year, as I say, over $140,000.

Of the publications specifically authorized by law and those printed by authority of joint and concurrent resolutions, there were in 1905, 1,431,943,264 printed pages; there were in 1907, 1,162,717,779 printed pages, a reduction of 379,235,485 printed pages, the equivalent of over 758,000 volumes of 500 pages each.

Mr. FITZGERALD. My suggestion was that, having some knowledge of the work, the gentleman's committee should have been continued and recommendations made to remedy some of the other abuses that are apparent to his committee. The Committee on Appropriations can not attempt to do that; it can only appropriate for the service that is imperative.

Mr. LANDIS. I do not think the gentleman from Minnesota meant it, the other day, when he stated, in answer to an interrogatory propounded to him, that this had been a very expensive Commission, because, as a matter of fact, the expenses of this Commission that has brought about all this saving has been less than $10,000.

Mr. FITZGERALD. I wish to say that I was not criticising the gentleman's Commission.

Mr. LANDIS. No; but I do not think the gentleman from Minnesota meant it the other day. He is entirely in error in that, because——

Mr. TAWNEY. Where did I make that statement?

Mr. LANDIS. In the RECORD.

Mr. TAWNEY. Somebody put it in without my authority. I never uttered it.

Mr. LANDIS. I was surprised when I saw it, because the total expense of the Commission, which extended over two years was less than $10,000.

Mr. PERKINS. In corroboration of what the gentleman from Minnesota states, I want to say that the running debate was in reference to an amendment offered by myself, and there was no statement by the gentleman from Minnesota reflecting on the Printing Commission.

Mr. TAWNEY. I will say to the gentleman that the Printing Commission has not been in my mind this session of Congress.

Mr. LANDIS. I certainly must have misread the gentleman's remarks.

Mr. TAWNEY. I think the gentleman must have.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHERLEY. Mr. Chairman, I desire to ask the gentleman a question or two. How long has this abuse in the way of the purchase of machinery been going on in the Printing Office?

Mr. LANDIS. I will say that as far back as we have gone there has never been any check on the Public Printer in the matter of purchasing machinery.

Mr. SHERLEY. How far have the abuses gone; how many years?

Mr. LANDIS. I do not think there has ever been any check on the Public Printer in the way of purchasing machinery.

Mr. SHERLEY. I am asking how far there has been an abuse in the purchase of machinery?

Mr. LANDIS. I could not say. I am not saying now that there has been an abuse, but I am saying that the estimates that have been submitted have been exceeded by the expenditures to a degree that certainly should call the attention of this House to what to me seems to be an abuse.

Mr. SHERLEY. How long has this Joint Commission been in existence?

Mr. TAWNEY. About four years.

Mr. LANDIS. About two years and a half.

Mr. SHERLEY. Prior to that did not the committees of the House and Senate have charge—have jurisdiction—of this matter?

Mr. LANDIS. They have only the jurisdiction so far as purchasing paper goes.

Mr. SHERLEY. They have jurisdiction in regard to legislating with reference to the matter.

Mr. LANDIS. I presume they have.

Mr. SHERLEY. And did nothing. I am trying to fix the responsibility. The gentleman has made some very serious statements, and I want to find out what committee has been "soldiering" and not working.

Mr. LANDIS. I would say in 1895 there was a revision of the printing laws, and that revision, when originally made and brought into the House, I think, was a very good one, but it was amended in the House and in the Senate, and when it finally was perfected it did not represent the ideas of the printing committee in either branch of Congress, and since that time the printing law has been amended, I presume, by three or four hundred amendments, and it is now a hodge-podge.

Mr. SHERLEY. Was it lack of capacity or lack of labor on the part of the committees having jurisdiction?

Mr. LANDIS. It certainly has not been a lack of either on our part, because we are able to show results, and I would not say anything that would reflect upon my predecessors.

Mr. SHERLEY. I am trying to find out how it comes about that these abuses should have continued so long without any action having been taken.

Mr. LANDIS. I can not understand why there should never have been placed on the Public Printer any check in the matter of purchasing machinery. As far as the other abuse is concerned, the Printing Investigating Commission has corrected that.

Mr. SHERLEY. The gentleman knows, of course, that the practice that has grown up in this Congress of expecting the Committee on Appropriations to not only attend to the duty of appropriating money, but to also be an investigating committee is a very bad one.

Mr. LANDIS. I understand.

Mr. SHERLEY. If all of these committees on expenditures in the various Departments would do something besides simply exist, then the Committee on Appropriations could confine its attention to its legitimate labors.

Mr. LANDIS. I think the gentleman from Kentucky will agree that we have shown pretty fair results for the money that we have expended and the effort put forth.

Mr. SHERLEY. Yes; and it is in striking contrast to the lack of results heretofore obtained, and I am just trying to get at which committee did the soldiering and did no work for many years and permitted this abuse to grow up.

Mr. LANDIS. They seemed to pay no attention to it at all, and I must say that the Committee on Appropriations has given us everything that we have asked, and we hope by continuing the good work to bring about results in the matter of expenditures for machinery as will harmonize with the results we have brought about in regard to excess printing.

The Clerk read as follows:

For equipment of vessels, Bureau of Equipment, $963.71.

Mr. KELIHER. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 66, end of line 16, add:

"For payment of certain claims approved by the Auditor of the War Department for damages done to private property by the firing of heavy guns at Forts Heath and Banks, Winthrop, Boston Harbor, Massachusetts, $1,250."

The question was taken, and the amendment was agreed to.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word for the purpose of asking leave to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Nebraska asks unani-

mous consent to extend his remarks in the RECORD. Is there objection?

Mr. CLARK of Missouri. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk read as follows:

Inland mail transportation, star, fiscal year 1906, $40.17.

Mr. TAWNEY. Mr. Chairman, I desire to ask unanimous consent to return to the post-office item, page 51, for the purpose of offering an amendment at the end of line 15.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to return to page 51 for the purpose of offering an amendment which the Clerk will report.

The Clerk read as follows:

On page 51, after line 15, insert:

"To close the account of the Doremus Machine Company for canceling machines furnished during the fiscal year 1903, $26,950: *Provided*, That said sum shall be accepted by said company in full of all claim and demand against the United States arising under their contract with the United States, dated May 6, 1902."

The CHAIRMAN. Is there objection?

Mr. FITZGERALD. Mr. Chairman, I reserve the right to object until we know what this is.

Mr. TAWNEY. I will say, Mr. Chairman, in explanation, that this item was submitted at the last session of this Congress and again submitted at this session. At the last Congress there was a controversy between the company and the Post-Office Department as to the amount. Now, it is claimed by the Post-Office Department that the amount was $26,950, while the machine company has been claiming that the amount was $36,000. This obligation grows out of a contract, the date of which is referred to in the amendment. It is not a claim. It is a contract obligation, and is for the purpose of closing the account. A year ago, when this claim was considered, the company refused to accept the amount the Post-Office Department was willing to pay, and the committee then took the position that until the Post-Office Department and the company reached a mutual conclusion as to the amount necessary to satisfy the obligation under the contract we would not bother with it nor would we appropriate for part payment.

When the matter was considered only a few days ago we had no more information than we had a year ago regarding the attitude of the company. Since the bill was reported, and it was ascertained that this item was not in the bill as it was estimated for by the Department, they inquired as to the reason, and I frankly said it was because there was no evidence before the committee that the amount had been agreed upon or that the amount estimated for would be accepted in full payment, and we did not propose to recommend to the House an appropriation for the payment of the balance until the company should agree to accept that balance in full payment of the contract obligation. That agreement has now been reached, as I am informed by the Department, and I have incorporated in the amendment the date of the contract and that this payment shall be in full settlement of all claim and it can not be made unless the amount appropriated is so accepted.

Mr. FINLEY. It is not true in this account of the Post-Office Department with the Doremus Company that there were charges of fraud against them to a considerable extent?

Mr. TAWNEY. Yes.

Mr. FINLEY. And that was the occasion of the delay in settlement?

Mr. TAWNEY. There was some delay on account of litigation growing out of the charge of conspiracy which was made against certain employees of the Post-Office Department and certin officers of this company. The charge of conspiracy and fraud was tried and the officers of the company were acquitted. There is no question that even if a suit were brought in the Court of Claims and the contract was held to be invalid because it was made in fraud that they would be entitled to recover the reasonable value of the property which they furnished under the contract, and that is the amount which the Department has estimated.

Mr. FINLEY. As I understand it, this amendment is offered to pay these people on the basis of quantum meruit; you do not base it strictly upon the settlement of the contract.

Mr. TAWNEY. It is based on a contract liability. I will say to the gentleman that it is the judgment of the legal officials of the Post-Office Department that there is a contract liability. But in view of what has transpired, the Department summarily and arbitrarily refused to pay the contract price for these machines, and the company has refused to accept the amount which the Department was willing to give until the last few months.

Mr. FINLEY. Has the company now agreed to accept this amount?

Mr. TAWNEY. Yes; and the language of the amendment is such that they can not receive any of it until they shall entirely discharge the Government from any liability under the contract.

Mr. FINLEY. If the Post-Office officials are entirely satisfied and agree that this is the proper sum, I do not desire to say anything further.

Mr. TAWNEY. They recommend this amount. They recommended it before, and we did not put it in the bill because we had no evidence before us to show that they were willing to accept this amount. We refused to make the appropriation because there was no agreement between the parties that the amount would be accepted.

Mr. FITZGERALD. Has the Department made a written statement assuming the responsibility for this, that the company is willing to accept this money, or has some subordinate up there simply done it?

Mr. TAWNEY. No; the Post-Office Department a day or two after this amendment came in were notified by the company that it would accept the amount recommended by the Department in full settlement of their rights under the contract. In submitting this estimate on February 1 the First Assistant Postmaster-General, making a recommendation of $26,950, does not say anything at all about the company agreeing to accept this amount, and for that reason we did not include this item in the bill. Since that time the company has expressed its willingness to accept this amount.

Mr. FITZGERALD. I ask the gentleman again, has some responsible official stated in writing that the company is willing to accept that amount, or is the communication from some irresponsible official?

Mr. TAWNEY. I will say that this comes to me from the gentleman from New York [Mr. SHERMAN], who has been in communication with the officers of the company; and one of the officers of the company is now here, and he informs me that the company notified the Post-Office Department in writing several weeks ago that they would accept the sum. The Department has not submitted any communication showing that the company would accept this amount in full settlement.

Mr. FITZGERALD. It seems to me, Mr. Chairman, that the Post-Office Department should assume the responsibility, and not ask Congress to do it upon a mere statement.

Mr. TAWNEY. The Department has assumed the responsibility in making the recommendation. On two occasions it has submitted an estimate for an appropriation, but Congress declined to make it because of the peculiar circumstances surrounding.

Mr. FITZGERALD. It seems to me it is the duty of the Department, at this time, to furnish the information that would justify Members of the House in recommending this appropriation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLARK of Missouri. I would like to ask the chairman of the Committee on Appropriations a question. Is this one of those things interdicted after the provision that you put in the statutes some time ago?

Mr. TAWNEY. This is a contract obligation.

Mr. CLARK of Missouri. What right have they to make a contract obligation in excess of the appropriation?

Mr. TAWNEY. They did not do it.

Mr. CLARK of Missouri. How, then, do you happen to have it in the deficiency bill?

Mr. TAWNEY. It is a deficiency which arises out of the fact that the appropriation was made to pay for the machines, and the machines not having been paid for the amount appropriated has been turned back in the Treasury. Now, this is to settle with the parties under that contract.

Mr. KEIFER. I will ask if it is not provided by the amendment that this amount will not be paid unless the payment is accepted in full and a receipt given for it?

Mr. TAWNEY. Certainly.

Mr. KEIFER. Whether they are willing to do it or not.

Mr. TAWNEY. They can not get the money until they receipt in full for it and release the Government from any and all obligation under the contract.

Mr. HARRISON. Is this the same thing for which money was appropriated in the appropriation bill?

Mr. TAWNEY. The Department had an appropriation out of which they could purchase these machines. It was not appropriated specifically for this company.

Mr. HARRISON. I do not think the gentleman understood the question. Did not we appropriate this year in the post-office appropriation bill a quarter of a million dollars for the payment of rent for the canceling machines?

Mr. TAWNEY. That may be, but that is not this case.

Mr. HARRISON. Is this the same company?

Mr. TAWNEY. No.

Mr. HARRISON. Are these canceling machines?

Mr. TAWNEY. They are canceling machines.

Mr. HARRISON. Why should we appropriate for two companies for the same machine?

Mr. DWIGHT. This appropriation is for machines purchased in 1902, which have not been settled for owing to a suit over the claim.

Mr. HARRISON. The contract has lapsed?

Mr. TAWNEY. No; the appropriation has lapsed.

Mr. HARRISON. Why should we appropriate for two companies; what is the purpose of it?

Mr. TAWNEY. We are not buying machines from two companies, we are not appropriating specifically for companies. This is a balance due them under their contract, which was made in pursuance of law.

Mr. HARRISON. Have we stopped buying machines from this company?

Mr. TAWNEY. I do not know.

Mr. CRUMPACKER. Is not this the situation: The appropriation in the post-office bill for this year is for use in the next fiscal year, and this is an appropriation to pay a debt that was contracted six years ago. There is no lapse or duplication of the appropriation at all.

Mr. TAWNEY. Oh, no.

The CHAIRMAN. The question is on the request of the gentleman from Minnesota for unanimous consent to return to page 51.

Mr. TAWNEY. My amendment is offered on page 51.

Mr. FITZGERALD. I object.

Mr. TAWNEY. Mr. Chairman, I move that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to; accordingly the committee determined to rise, and the Speaker having resumed the chair, Mr. DALZELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 21946, the general deficiency bill, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

REMOVAL OF RESTRICTIONS FROM LANDS OF ALLOTTEES OF FIVE CIVILIZED TRIBES.

The SPEAKER laid before the House the following communication:

Hon. JOSEPH G. CANNON,
House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: Will you please relieve me from service as conferee on H. R. 15641?

Thanking you for the compliment of the designation and with personal regard, I am,

Sincerely, yours, CHAS. L. KNAPP.

The SPEAKER announced the appointment of Mr. MCGUIRE to fill the vacancy.

WITHDRAWAL OF PAPERS.

Mr. BARTLETT of Georgia, by unanimous consent, was given leave to withdraw from the files of the House papers in the case of Frank Z. Curry, H. R. 2395, Sixtieth Congress, no adverse report having been made thereon.

DEFICIENCY APPROPRIATION BILL.

Mr. TAWNEY. Mr. Speaker, I move to suspend the rules, agree to the amendments to the general deficiency appropriation bill reported from the Committee of the Whole House on the state of the Union, and pass the bill.

The SPEAKER. The gentleman from Minnesota moves to suspend the rules, agree to the amendments to the general deficiency appropriation bill reported from the Committee of the Whole House on the state of the Union, and pass the bill.

Mr. CLARK of Missouri. I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 204, nays 25, answered "present" 13, not voting 145, as follows:

YEAS—204.

Adair	Bonynge	Cary	Currier
Aiken	Bowers	Chaney	Cushman
Alexander, Mo.	Boyd	Chapman	Dalzell
Allen	Brodhead	Clark, Mo.	Davenport
Ames	Brownlow	Cockran	Davis, Minn.
Andrus	Brundidge	Cocks, N. Y.	Dawes
Ansberry	Burgess	Cole	Dawson
Ashbrook	Burleigh	Cooper, Pa.	Denby
Barchfeld	Burton, Del.	Cooper, Tex.	Dixon
Bartholdt	Burton, Ohio	Cooper, Wis.	Draper
Bates	Calderhead	Coudrey	Driscoll
Beale, Pa.	Campbell	Cox, Ind.	Dwight
Bell, Ga.	Capron	Craig	Ellerbe
Bennet, N. Y.	Carter	Crumpacker	Ellis, Oreg.
Englebright	Heflin	Loud	Rauch
Esch	Henry, Conn.	Loudenslager	Reeder
Fassett	Higgins	Lovering	Robinson
Ferris	Hill, Conn.	McCall	Rodenberg
Finley	Hinshaw	McHenry	Rothermel
Fitzgerald	Holliday	McKinlay, Cal.	Scott
Floyd	Houston	McKinley, Ill.	Shackleford
Focht	Howell, N. J.	McKinney	Sherley
Fordney	Howland	McLaughlin, Mich.	Sherwood
Foster, Ill.	Hubbard, Iowa	McMorran	Slayden
Foster, Ind.	Hubbard, W. Va.	Macon	Slemp
Foster, Vt.	Huff	Madison	Smith, Cal.
French	Humphrey, Wash.	Miller	Smith, Iowa
Fuller	James, Addison D.	Mondell	Smith, Mo.
Gaines, Tenn.	Jenkins	Moon, Pa.	Southwick
Gaines, W. Va.	Johnson, S. C.	Moore, Pa.	Sperry
Gardner, N. J.	Jones, Va.	Morse	Spight
Garrett	Jones, Wash.	Mouser	Steenerson
Gilhams	Kahn	Murdock	Sterling
Godwin	Kelfer	Murphy	Sulloway
Goebel	Kelliher	Needham	Tawney
Goulden	Kennedy, Iowa	Nicholls	Taylor, Ohio
Graff	Kinkaid	Norris	Thistlewood
Granger	Kitchin, Claude	Nye	Tirrell
Greene	Knowland	O'Connell	Tou Velle
Gregg	Küstermann	Olcott	Townsend
Hackney	Lafean	Overstreet	Volstead
Hale	Lamb	Parker, N. J.	Vreeland
Hall	Landis	Parker, S. Dak.	Waldo
Hamilton, Iowa	Langley	Parsons	Washburn
Hamilton, Mich.	Laning	Payne	Watkins
Hamlin	Lassiter	Perkins	Weeks
Hardwick	Lawrence	Pollard	Wheeler
Harrison	Lee	Pou	Wilson, Pa.
Haskins	Lindbergh	Pray	Wood
Hawley	Longworth	Pujo	Woodyard
Hayes	Lorimer	Rainey	Young

NAYS—25.

Beall, Tex.	Hardy	Moore, Tex.	Stephens, Tex.
Booher	Helm	Page	Sulzer
Burnett	Henry, Tex.	Randell, Tex.	Underwood
Candler	Hill, Miss.	Richardson	Webb
Denver	Hughes, N. J.	Rucker	
Garner	Hull, Tenn.	Russell, Mo.	
Gillespie	Johnson, Ky.	Russell, Tex.	

ANSWERED "PRESENT"—13.

Adamson	Flood	Roberts	Talbott
Butler	Gordon	Sabath	
Clayton	Haggott	Sherman	
Cousins	Patterson	Sims	

NOT VOTING—145.

Acheson	Edwards, Ga.	Kipp	Porter
Alexander, N. Y.	Edwards, Ky.	Kitchin, Wm. W.	Powers
Anthony	Ellis, Mo.	Knapp	Pratt
Bannon	Fairchild	Knopf	Prince
Barclay	Favrot	Lamar, Fla.	Ransdell, La.
Bartlett, Ga.	Fornes	Lamar, Mo.	Reid
Bartlett, Nev.	Foss	Law	Reynolds
Bede	Foulkrod	Leake	Rhinock
Bennett, Ky.	Fowler	Legare	Riordan
Bingham	Fulton	Lenahan	Ryan
Birdsall	Gardner, Mass.	Lever	Saunders
Boutell	Gardner, Mich.	Lewis	Sheppard
Bradley	Gill	Lilley	Small
Brantley	Gillett	Lindsay	Smith, Mich.
Broussard	Glass	Littlefield	Smith, Tex.
Brumm	Goldfogle	Livingston	Snapp
Burke	Graham	Lloyd	Sparkman
Burleson	Griggs	Lowden	Stafford
Byrd	Gronna	McCreary	Stanley
Calder	Hackett	McDermott	Stevens, Minn.
Caldwell	Hamill	McGavin	Sturgiss
Carlin	Hammond	McGuire	Taylor, Ala.
Caulfield	Harding	McLachlan, Cal.	Thomas, N. C.
Clark, Fla.	Haugen	McLain	Thomas, Ohio
Conner	Hay	McMillan	Wallace
Cook, Colo.	Hepburn	Madden	Wanger
Cook, Pa.	Hitchcock	Malby	Watson
Cravens	Hobson	Mann	Weems
Crawford	Howard	Marshall	Weisse
Darragh	Howell, Utah	Maynard	Wiley
Davey, La.	Hughes, W. Va.	Moon, Tenn.	Willett
Davidson	Hull, Iowa	Mudd	Williams
De Armond	Humphreys, Miss.	Nelson	Wilson, Ill.
Diekema	Jackson	Olmsted	Wolf
Douglas	James, Ollie M.	Padgett	
Dunwell	Kennedy, Ohio	Pearre	
Durey	Kimball	Peters	

So the motion was agreed to.

The Clerk announced the following additional pairs:

For the balance of the day:

Mr. ALEXANDER of New York with Mr. HAY.

Until further notice:

Mr. PEARRE with Mr. RHINOCK.

Mr. MOON of Tennessee with Mr. PADGETT.

Mr. MANN with Mr. SIMS.

Mr. MCGUIRE with Mr. LLOYD.

Mr. MCGAVIN with Mr. LEVER.

Mr. KNAPP with Mr. LEWIS.

Mr. HULL of Iowa with Mr. LENAHAN.

Mr. HOWELL of Utah with Mr. KIMBALL.

Mr. GILLETT with Mr. LEGARE.

Mr. GARDNER of Massachusetts with Mr. OLLIE M. JAMES.

Mr. DUREY with Mr. HITCHCOCK.

Mr. DOUGLAS with Mr. HAMMOND.

Mr. DIEKEMA with Mr. GLASS.
Mr. DARRAGH with Mr. GILL.
Mr. COOK of Pennsylvania with Mr. FULTON.
Mr. CONNER with Mr. DE ARMOND.
Mr. BURKE with Mr. BARTLETT of Nevada.
Mr. FAIRCHILD with Mr. HUMPHREYS of Mississippi.
The result of the vote was announced as above recorded.

MARY S. FERGUSON.

By unanimous consent, granted to Mr. COOPER of Wisconsin, reference of the bill (S. 6529) for the relief of Mary S. Ferguson was changed from the Committee on Claims to the Committee on Insular Affairs.

MAKING MONTEREY AND PORT HARFORD, CAL., SUBPORTS OF ENTRY.

Mr. NEEDHAM. Mr. Speaker, I ask unanimous consent to discharge the Committee of the Whole House on the state of the Union from further consideration of the bill (S. 3153) to make Monterey and Port Harford, in the State of California, subports of entry, and for other purposes, and to pass the same with House amendments, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That Monterey and Port Harford, in the State of California, are hereby made subports of entry in the district of San Francisco, and the necessary customs officers may, in the discretion of the Secretary of the Treasury, be stationed at each of said subports with authority to enter and clear vessels, receive duties, fees, and other moneys, and perform such other services as, in his judgment, the interest of commerce may require, and said officers shall receive such compensation as he may allow.

SEC. 2. That the Secretary of the Treasury may designate, from time to time, as subports of entry other places within the said district, at which customs officers may be stationed or detailed for the purposes set forth in the preceding section, and at such compensation as he may allow.

SEC. 3. That in lieu of stationing deputy collectors or other customs officers permanently at any subport in said district, the Secretary of the Treasury may, in his discretion, authorize the necessary officers to be detailed from time to time, from the port of entry, or from another subport within such district to enter or clear vessels, receive duties, fees, or other moneys, and perform such other services as, in his judgment, the interests of commerce may require.

SEC. 4. That the act approved February 24, 1906, entitled "An act to allow the entry and clearance of vessels at San Luis Obispo, Port Harford, and Monterey, Cal.," is hereby repealed.

SEC. 4. That the privileges of the first section of the act approved June 10, 1880, entitled "An act to amend the statutes in relation to immediate transportation of dutiable goods, and for other purposes," be, and the same are hereby, extended to the port of Port Arthur, in the State of Texas.

SEC. 5. That Petosky, in the State of Michigan, is hereby made a subport of entry in the district of Grand Rapids, and the necessary customs officers may, in the discretion of the Secretary of the Treasury, be stationed at said subport with authority to enter and clear vessels, receive merchandise shipped in bond, collect duties and make delivery of same, receive duties, fees, and other moneys, and perform such other service as, in his judgment, the interest of commerce may require, and said officers shall receive such compensation as he may allow.

SEC. 6. That the privileges of the seventh section of the act approved June 10, 1880, entitled "An act to amend the statutes in relation to immediate transportation of dutiable goods, and for other purposes," be, and the same are hereby, extended to the support of Petosky, in the State of Michigan.

SEC. 7. That the privileges of the first section of the act approved June 10, 1880, entitled "An act to amend the statutes in relation to immediate transportation of dutiable goods, and for other purposes," be, and the same are hereby, extended to the subport of St. Vincent, in the State of Minnesota.

Mr. UNDERWOOD. Mr. Speaker, is this a unanimous-consent proposition?

The SPEAKER. This is a request for unanimous consent to consider and pass the bill. The unanimous consent would agree to the House amendments to the Senate bill and pass the bill.

Mr. UNDERWOOD. Mr. Speaker, reserving the right to object, I would ask the gentleman from California to yield me five minutes.

Mr. NEEDHAM. I will yield the gentleman five minutes.

The SPEAKER. Five minutes are pretty precious. Would the gentleman be satisfied to give the unanimous consent, coupled with the request that he be allowed to address the House for five minutes?

Mr. UNDERWOOD. I will state, Mr. Speaker, that I am not going to object to this bill if I am given the five minutes.

The SPEAKER. Then the gentleman puts it that he gives unanimous consent and asks consent to address the House for five minutes. Is there objection?

Mr. PAYNE. Mr. Speaker, I ask unanimous consent that the gentleman proceed for five minutes after unanimous consent is granted to pass the bill.

Mr. UNDERWOOD. But I do not take it in that way.

Mr. PAYNE. Then I ask unanimous consent——

Mr. UNDERWOOD. Mr. Speaker, I ask the gentleman from California to yield me five minutes. I said I would not object to his bill.

The SPEAKER. But the gentleman has not five minutes to yield.

Mr. HENRY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HENRY of Texas. Did I hear the name of Port Arthur, Tex., read out in the bill?

The SPEAKER. Yes.

Mr. HENRY of Texas. I have no objection.

Mr. COOPER of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama be permitted to address the House for five minutes.

The SPEAKER. But there is nothing for the gentleman to address the House about. If there is unanimous consent that the bill shall be passed at the end of the five minutes, then we have something before us.

Mr. UNDERWOOD. Mr. Speaker, I will state this: I have something to say about the bill. It comes from the committee that I am on, and I have something to say in reference to it. If I object, then the gentleman will move to suspend the rules, and it will take twenty minutes' debate on a side beside a roll call.

The SPEAKER. But the gentleman is not recognized for that purpose.

Mr. UNDERWOOD. Then, I think, under these circumstances that I am entitled to make a statement in reference to this matter before it is passed. I ask the House, then, to allow me to make a statement in reference to this bill, not to exceed five minutes. Anything can be done by unanimous consent.

The SPEAKER. Precisely; anything can be done by unanimous consent, and the Chair is willing to recognize the gentleman from New York to ask at the end of five minutes, which the gentleman asks by unanimous consent, that the bill be considered as passed with the House amendments.

Mr. UNDERWOOD. I thought, Mr. Speaker, you were going to pass the bill before I made my remarks.

The SPEAKER. The Chair is willing to announce it afterwards. [Laughter and applause.]

Mr. UNDERWOOD. Mr. Speaker, with this remarkable showing of good humor and courtesy on the part of the Speaker, I will accept the proposition. Mr. Speaker, I do not intend to detain the House with a speech, but I wish merely to call the attention of the House again to the fact that we are continually passing these bills providing for new ports, new collection districts, new I. T. ports, increasing the cost of collecting the revenues of this country that is far in excess of any other country, far in excess of what it costs to-day to collect the internal revenue, and that no effort is being made in this House to reduce the cost of the collection of the customs of this country.

Although I believe these bills are good—I have no objection to these bills, but I do insist that the time has come when this country should take up this whole matter and overhaul it and cut out the unnecessary expenditures before you continue increasing the cost of collecting the customs revenues.

Mr. PAYNE. Will the gentleman allow me a word?

Mr. UNDERWOOD. Certainly.

Mr. PAYNE. I want to say I came to that conclusion two years ago, and I tried to pass a bill and could not succeed.

Mr. UNDERWOOD. My remarks, I will say to the chairman of the committee, were addressed to the House, and not to the Committee on Appropriations. I, however, think it is the duty of the chairman of that committee to make another effort to get this House to revise these customs-collection laws.

So the bill as amended was passed.

AMENDING SECTION 4896 OF THE REVISED STATUTES.

Mr. SULZER. Mr. Speaker, I move to concur in the Senate amendment to the bill H. R. 15841.

The SPEAKER. The Chair understood the gentleman desired to ask unanimous consent?

Mr. SULZER. I ask unanimous consent to concur in the Senate amendment to the bill.

The SPEAKER. The gentleman from New York asks unanimous consent to concur in the following House bill with a Senate amendment. A vote on this would be, if unanimous consent is given, to pass the House bill with a Senate amendment. The Clerk will report the title of the bill with the Senate amendment.

The Clerk read as follows:

A bill (H. R. 15841) to amend section 4896 of the Revised Statutes.

The Senate amendment was read.

The SPEAKER. Is there objection?

Mr. CHANEY. Mr. Speaker, I want to ask if the Clerk read the part that is amended?

The SPEAKER. The Clerk has just read that.

Mr. CHANEY. I did not so understand it.

Mr. SULZER. It is just exactly the same as it passed the House, and the only thing the Senate did——

The SPEAKER. They struck out the House bill entirely after the enacting clause and inserted an amendment. Now, the request of the gentleman is for unanimous consent to concur in the Senate amendment, which would pass the bill.

Mr. CURRIER. Mr. Speaker, reserving the right to object, I wish to say the Senate amendment in no wise changes the House bill. The House bill provides that certain words shall be stricken out of the law and certain other words inserted, so that the section would read as follows, and the Senate struck out all after the enacting clause and inserted just exactly the House amendments, without stating what they are, but providing that section so and so shall be amended so as to read as follows.

The SPEAKER. It is the difference only between tweedledum and tweedle-dee. Is there objection. [After a pause.] The Chair hears none.

So the Senate amendment was agreed to.

AMENDING SECTION 4885 OF THE REVISED STATUTES.

The SPEAKER. The gentleman from Massachusetts [Mr. WASHBURN] asks unanimous consent to take from the Speaker's table the following House bill and concur in the Senate amendments.

The Clerk will report the title of the bill.

The Clerk read as follows:

H. R. 17703. An act amending section 4885 of the Revised Statutes.

The Senate amendments were read.

The SPEAKER. Is there objection?

Mr. CLARK of Missouri. I object, Mr. Speaker.

Mr. FITZGERALD. I think it ought to be read——

The SPEAKER. Objection is heard. If there is no objection, the Clerk will read the bill as amended.

The bill as amended was read.

The SPEAKER. The amendment seems to be clerical. Is there objection? [After a pause.] The Chair hears none.

The question was taken, and the amendment was concurred in.

MOVING WASHINGTON STATUE FROM CAPITOL GROUNDS.

Mr. MCCALL. I ask unanimous consent to take House joint resolution No. 124 from the Speaker's table and agree to the Senate amendment.

Mr. CLARK of Missouri. I am going to object to all the rest. It is 6 o'clock nearly, and supper time.

Mr. CLAYTON. I hope the gentleman will not object to this.

Mr. CLARK of Missouri. I will let him in, and I will let Mr. CLAYTON in, and then I will object to the rest.

Mr. CLAYTON. I have none to offer for myself, but I really ask the gentleman not to object to this.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to take from the Speaker's table the following House joint resolution and agree to the Senate amendment.

The Clerk read as follows:

House joint resolution No. 124, authorizing the presentation of the statue of President Washington, now located in the Capitol grounds, to the Smithsonian Institution.

With a Senate amendment, which was read.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The question was taken, and the Senate amendment was concurred in and the title amended.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4341. An act granting an increase of pension to Calvin P. Lynn—to the Committee on Invalid Pensions.

S. 5412. An act granting an increase of pension to Byron C. Mitchell—to the Committee on Invalid Pensions.

S. 7123. An act granting an increase of pension to Harry S. Lee, formerly Albert Lee Alleman—to the Committee on Invalid Pensions.

ENROLLED JOINT RESOLUTION SIGNED.

The Speaker announced his signature to enrolled joint resolution of the following title:

S. R. 90. Joint resolution to amend an act authorizing the construction of bridges across navigable waters, and so forth.

MISCELLANEOUS INDIAN BILL.

Mr. SHERMAN. Mr. Speaker, I move to suspend the rules and pass the bill I send to the desk, as amended.

The Clerk read as follows:

A bill (H. R. 21735) to authorize the Secretary of the Interior to issue patents in fee to purchasers of Indian lands under any law now existing or hereafter enacted, and for other purposes.

Be it enacted, etc., That the lands, or any part thereof, allotted to any Indian, or any inherited interest therein, which can be sold under existing law by authority of the Secretary of the Interior, except the lands of the Five Civilized Tribes in Oklahoma, may be sold on the petition of the allottee, or his heirs, on such terms and conditions and under such regulations as the Secretary of the Interior may prescribe; and the lands of a minor, or of a person deemed incompetent by the Secretary of the Interior to petition for himself, may be sold in the same manner, on the petition of the natural guardian in the case of infants, and in the case of persons deemed incompetent as aforesaid, and of orphans without a natural guardian, on petition of a person designated for the purpose by the Secretary of the Interior. That when any Indian who has heretofore received or who may hereafter receive, an allotment of land dies before the expiration of the trust period, the Secretary of the Interior shall ascertain the legal heirs of such Indian, and if satisfied of their ability to manage their own affairs shall cause to be issued in their names a patent in fee simple for said lands; but if he finds them incapable of managing their own affairs, the land may be sold as hereinbefore provided. And the action of the Secretary of the Interior in determining the legal heirs of any deceased Indian as provided herein shall be conclusive and final for the purpose of passing title to the lands conveyed: *Provided*, That the proceeds derived from all sales hereunder shall be used, during the trust period, for the benefit of the allottee, or heir, so disposing of his interest, under the supervision of the Commissioner of Indian Affairs: *And provided further*, That upon the approval of any sale hereunder by the Secretary of the Interior he shall cause a patent in fee to issue in the name of the purchaser for the lands so sold; and the issuance of such patent shall operate as a cancellation of any trust patent, or patent containing restrictions on alienation, issued in the name of the original allotee. All acts or parts of acts in conflict herewith are hereby repealed.

SEC. 2. That jurisdiction be, and hereby is, conferred upon the Court of Claims of the United States to hear, determine, and render final judgment, notwithstanding lapse of time or statute of limitation, for any balances found due, without interest, with the right of appeal as in other cases, upon the claims of H. W. Gilkey, Herman Hankwitz, Herman Hankwitz & Co., W. P. Cook & Bro., M. Westcott, J. A. Liege, assignee of J. F. Gauthier, F. F. Green, traders, against the Menominee tribe of Indians in Wisconsin and against certain members of said tribe at the Green Bay Agency, for supplies, goods, wares, merchandise, tools, and live stock furnished certain members of the said tribe after the 1st day of January, in the year 1880, for the purpose of carrying on logging operations upon the Menominee Indian Reservation, in Wisconsin. Said claims shall be presented to said court by verified petitions to be filed within six months from the date of the approval of this act. Said court shall, in rendering judgment, ascertain and determine the amount, if any, due upon each of said claims and if the court find that there is a liability upon any of said claims it shall then determine if such liability be that of the said Menominee tribe of Indians as a tribe or that of individual members of said tribe, and it shall render judgment for the amount, if any, found due from said tribe to any of said claimants, and it shall render judgment for the amounts, if any, found due from any of the individual members of said tribe to any of said claimants. Upon the rendition of final judgments, the court shall certify the same to the Secretary of the Interior, who shall thereupon, in case judgments be against the said Menominee tribe of Indians as a tribe, direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said tribe, and who, in case judgments be against individual members of said Menominee tribe of Indians, shall, through the disbursing officers in charge of said Green Bay Agency, pay, from any annuity due or which may become due said Indian as an individual or as the head of a family from the United States or from the share of such Indian as an individual or as the head of a family in any distribution of tribal funds deposited in the Treasury of the United States, the amounts of such judgments to the claimants in whose favor such judgments have been rendered: *Provided*, That not more than 50 per cent of the annuity due any such Indian as an individual or as the head of a family shall be applied to the payment of such judgments: *Provided, however*, That if more than one judgment be rendered against any such individual Indian and if 50 per cent of the annuity due such Indian as an individual or as the head of a family be not sufficient to discharge such judgments, such payment shall be made to the claimants in proportion to the amount of their respective judgments: *Provided further*, That in case 50 per cent of any annuity payment due any such Indian as an individual or as the head of a family be not sufficient to satisfy the judgment or judgments rendered against said Indian, then and in that case 50 per cent of subsequent annuity payments due said Indian as an individual and as the head of a family shall be applied to the payment of said judgments until the same be fully satisfied. The Menominee tribe of Indians, through its business committee, is authorized to employ an attorney or attorneys to defend the interests of said tribe and of the individual members of said tribe in any actions brought under the provisions of this act, the compensation of such attorney or attorneys to be determined by the court, and for which attorneys' fees judgment shall be rendered, and upon its certification to the Secretary of the Treasury the amount of said judgment shall be paid to said attorney or attorneys out of any funds standing to the credit of said Menominee tribe of Indians in the Treasury of the United States.

SEC. 3. That the heirs of Cornplanter, a Seneca Indian chief, as ascertained by the orphan's court of Warren County, Pa., under act of the legislature of the State of Pennsylvania of May 16, 1871, and their descendants are hereby authorized and empowered to bring suit in the courts of the United States for the recovery of the possession or the quieting of title of any lands granted individually to said Cornplanter, alias John O'Bial or Abeel, and jurisdiction is hereby conferred upon said courts, both in law and in equity, to hear and determine the rights of said Cornplanter under any grant made to him. Any petition filed or other court papers may be verified by the attorneys representing said heirs or their duly authorized attorneys in fact.

SEC. 4. That a lease bearing date September 19, 1907, between the Seneca Nation of Indians on the Cattaraugus and Allegheny reservations, in the State of New York, and Charles M. L. Ashby, of Erie County, N. Y., is hereby ratified and confirmed.

SEC. 5. That the Court of Claims is hereby authorized and directed

to hear and adjudicate the claims against the Choctaw Nation of Samuel Garland, deceased, and to render judgment thereon in such amounts, if any, as may appear to be equitably due. Said judgment, if any, in favor of the heirs of Garland shall be paid out of any funds in the Treasury of the United States belonging to the Choctaw Nation, said judgment to be rendered on the principle of quantum meruit for services rendered and expenses incurred. Notice of said suit shall be served on the governor of the Choctaw Nation, and the Attorney-General of the United States shall appear and defend in said suit on behalf of said nation.

SEC. 6. That the act of April 30, 1908, reading as follows:

"The Secretary of the Interior is hereby authorized to issue a patent to the Bureau of Catholic Indian Missions for the southeast quarter of the northeast quarter of section 6, township 28 north, range 24 east of the Indian meridian, Indian Territory, the same having been set apart to the Roman Catholic Church for church and school purposes by the Quapaw national council, on August 24, 1893, and said church having maintained a church and school thereon since that date"

be amended to read as follows:

"The Secretary of the Interior is hereby authorized to issue a patent to the Bureau of Catholic Indian Missions for the southwest quarter of the northeast quarter of section 6, township 28 north, range 24 east of the Indian meridian, Indian Territory, the same having been set apart to the Roman Catholic Church for church and school purposes by the Quapaw national council, on August 24, 1893, and said church having maintained a church and school thereon since that date."

SEC. 7. That in addition to the towns heretofore segregated, surveyed, and scheduled in accordance with law, the Secretary of the Interior be, and he is hereby, authorized to segregate and survey within that part of the territory of the Choctaw and Chickasaw nations, State of Oklahoma, heretofore segregated as coal and asphalt land, such other towns, parts of towns, or town lots, as are now in existence, or which he may deem it desirable to establish. He shall cause the surface of the lots in such towns or parts of towns to be appraised, scheduled, and sold at the rates, on the terms, and with the same character of estate as is provided in section 29 of the act of Congress approved June 28, 1898 (30 Stat. L., p. 495), under regulations to be prescribed by him. That the provisions of section 13 of the act of Congress approved April 26, 1906 (34 stat. L., p. 137), shall not apply to town lots appraised and sold as provided herein. That all expenses incurred in surveying, platting, and selling the lots in any town or parts of towns shall be paid from the proceeds of the sale of town lots of the nation in which such town is situate.

SEC. 8. That the Secretary of the Interior be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury belonging to the Cherokee tribe of Indians, to those intermarried white citizens of the said Cherokee tribe placed on the final approved rolls of the said Cherokee tribe by the Secretary of the Interior pursuant to an opinion of the Supreme Court of the United States, in the case of Daniel Red Bird against The United States, the share or shares to which they are entitled in the funds of the Cherokee Nation on account of payments heretofore made out of said Cherokee funds to members of the Cherokee Nation, but in which payments said intermarried white Cherokee citizens did not participate and to which they were entitled in accordance with the findings of the Supreme Court in the said case of Daniel Red Bird against The United States, said intermarried white Cherokee citizens having married into the Cherokee Nation prior to November 1, 1875, and not having since abandoned their citizenship. In case any of said intermarried Cherokee white citizens have died since final enrollment their share or shares in the money distributed shall be paid to their heirs or legal representatives: *Provided, however,* That the Cherokee Nation shall have authority to contest before the Secretary of the Interior the right of any person whose enrollment was made under the decree of the Supreme Court of the United States in the case of Daniel Red Bird to receive such payments, and if said Secretary becomes convinced that such person was improperly enrolled he is hereby authorized to deny him the right to receive such back payments.

SEC. 9. That the Secretary of the Interior be, and is hereby, authorized to issue a patent to the Sisters of the Blessed Sacrament for Indians and Colored People, a charitable corporation organized under the laws of the State of Pennsylvania, for and covering the following described lands, amounting to approximately 280 acres, now and for many years occupied by the said Sisters of the Blessed Sacrament for Indians and Colored People, as an Indian school, to wit: The southwest quarter of the southwest quarter of section 13, the south half of the northeast quarter of section 14, and the east half of the northwest quarter, and the south half of the northeast quarter of section 24, all in township 26 north, range 30 east, Gila and Salt River meridian, on the Navajo Indian Reservation, in Arizona Territory.

SEC. 10. That the Secretary of the Interior is hereby authorized to sell for use for school purposes to school districts of the State of Oklahoma, from the unallotted lands of the Five Civilized Tribes, tracts of land not to exceed 2 acres in any one district, at prices and under regulations to be prescribed by him, and proper conveyances of such lands shall be executed in accordance with existing laws regarding the conveyance of tribal property; and the Secretary of the Interior also shall have authority to remove the restrictions on the sale of such lands, not to exceed 2 acres in each case, as allottees of the Five Civilized Tribes, including fullbloods and minors, may desire to sell for school purposes.

SEC. 11. That the borough of Carlisle, in the State of Pennsylvania, shall be, and is hereby, granted the right and privileges of laying through and under the land owned by the United States and now used for the purpose of or in connection with the United States Indian Industrial School, such pipe or pipes as may be necessary for use in connection with or as part of its sewage system, said pipe or pipes to be laid beneath the surface of the ground, except as to the necessary manholes, and so laid as not to interfere with the use or mar the appearance of the premises: *Provided,* That no pipe or pipes shall be laid in pursuance of authority hereby conferred until the plan showing the location thereof shall have been submitted to and approved by the Secretary of the Interior: *And provided further,* That upon the request of the Secretary of the Interior, and his agreement to pay a fair proportion of the expense, the sewage system, disposal plant, and pipes constructed, or to be constructed, by the borough of Carlisle shall be of sufficient size to take care of the sewage of the United States Indian Industrial School, which shall be permitted to establish a connection with the said sewage system and use the same.

SEC. 12. That the Secretary of the Interior be, and he hereby is, authorized to cause that part of the Cheyenne school reserve and the Cheyenne and Arapahoe Agency reserve lying east of a public road and separated from the school and agency reserves by such road, being a narrow strip of land, more particularly described as lots 8 and 9 of section 4, lots 5 and 6 of section 9, lots 5 and 6 of section 16, and lots 5 and 6 of section 21, all in township 13 north, range 7 west, Indian meridian, in the State of Oklahoma, to be appraised by legal subdivisions and sold for the benefit of the Indians of the Cheyenne and Arapahoe reservations; and the owners of the adjoining lands are hereby given the preference right for ninety days from and after the passage of this act to purchase said lands at not less than the appraised value which may be placed thereon by the Secretary of the Interior, the purchase price to be paid in cash at the time of notice of acceptance by said purchasers. And in case said lands, or any part thereof, remain unsold after the expiration of said ninety days, the said Secretary shall proceed to offer said lands for sale under such regulations as he may prescribe; the funds received from said sales to be deposited in the Treasury of the United States to the credit of the Indians of the Cheyenne and Arapahoe Reservation, Okla. That the Secretary of the Interior be, and he hereby is, authorized to cause to be appraised and sold 640 acres of land, together with the buildings and other appurtenances thereto belonging, heretofore set aside as reservation for the Cheyenne and Arapahoe Agency and the Arapahoe Indian school in Oklahoma, and that for sixty days from and after said appraisement the city of Elreno, in Oklahoma, be given the preference right to purchase said land and improvements thereon at the appraised value thereof, to be used for school purposes, the purchase price thereof to be paid in cash at the time of the acceptance by said purchaser. And in case said land remains unsold after the expiration of said sixty days, the Secretary shall proceed to offer said land for sale under such regulations as he may prescribe, and he is authorized to use all or any part of the proceeds of the sale thereof in the erection of new buildings and in repairs and improvements at the present Cheyenne Boarding School in the Cheyenne and Arapahoe Agency, in Oklahoma, and in the establishment of such day schools as may be required for said Cheyenne and Arapahoe Indians in Oklahoma, and that the balance of said proceeds, if any there be, may be used in support of said Cheyenne Boarding School or said day school.

Mr. GAINES of Tennessee (during the reading of the bill). Mr. Speaker, I simply want to make a privileged observation here. It is hot and sultry, the Hall is crowded with Members, every door in the galleries is shut up tight, and we are almost stifled in here for lack of fresh air. I do insist that we make some better arrangements hereafter than we have at the present time.

The reading of the bill was resumed and concluded.

The SPEAKER pro tempore. Is a second demanded?

Mr. CLARK of Missouri. I demand the yeas and nays.

Mr. STEPHENS of Texas. I demand a second.

The SPEAKER pro tempore. Under the rules a second is considered as ordered. The gentleman from New York is entitled to twenty minutes——

Mr. STEPHENS of Texas. I withdraw the demand for a second.

Mr. FITZGERALD. I demand a second. This is an important bill, and we ought to know something about it.

The SPEAKER pro tempore. The gentleman from Texas withdraws the demand for a second and the gentleman from New York renews the demand. The gentleman from New York [Mr. SHERMAN] is entitled to twenty minutes, and the gentleman from New York [Mr. FITZGERALD] is entitled to twenty minutes.

Mr. SHERMAN. Mr. Speaker, I will not take twenty minutes. This is a so-called "omnibus bill." Its various sections are made up of bills which have been favorably reported from the Committee on Indian Affairs, save two sections. There are none of the sections which create any charge whatever upon the Treasury. There are two sections that have not been reported by the Committee on Indian Affairs. One of them is the section which corrects a description contained in the Indian appropriation bill, providing for the issuance of a patent to a society which maintains a training school. In the Indian appropriation bill a quarter section was described as "southeast," when it should have been "southwest." This is a correction of that. The other section which has not been reported by the Indian Committee is one giving to the city of Carlisle, Pa., the right to lay a sewer across the Indian school grounds at Carlisle, under certain conditions, which shall be approved by the Secretary of the Treasury.

As I say, all the other provisions of the bill have been considered by the Committee on Indian Affairs, and have been unanimously favorably reported, and make no charge whatever against the Treasury of the United States.

Mr. STEPHENS of Texas. I desire to ask the chairman to state also to the House that the Secretary of the Interior has passed upon and approved all the several bills, that there is no objection on the part of the Members, either of the minority or the majority, to the bills, they carrying no appropriations, and are mere matters of detail in legislation, usually to correct errors that ought to be corrected in various bills.

Mr. SHERMAN. I can describe the sections. Section 1 provides the means by which inherited lands of Indians may be sold. I need not go into a statement of the particulars. They have been thoroughly considered by the Committee on Indian Affairs and by the Department of the Interior, which has favorably reported the bill.

Section 2 permits some persons who claim to have furnished material for certain Indians doing logging on the Menominee

Reservation in Minnesota in 1880 to litigate their claim in court. These traders claim never to have been paid, and this provision permits them to go to the Court of Claims and there prosecute action, and further provides that if a judgment is obtained it shall be paid out of the Menominee funds.

Section 3 permits the heirs of an Indian named Cornplanter to bring suit to quiet title to the lands they hold. Somebody has claimed to have a certain right to these lands. It is not anything that interests the Government directly, but this section permits an action being tried in the Court of Claims to quiet the title.

Section 4 ratifies a lease made by the Seneca Indians.

Section 5 authorizes the heirs of Mr. Samuel Garland to prosecute before the Court of Claims his claim for services rendered to the Choctaw Indians, and providing that if a judgment is obtained it shall be paid out of the Choctaw funds.

Section 6 corrects the description in the appropriation bill referred to above.

Section 7 is one which creates additional town sites within the Choctaw and Chickasaw territory in the Indian Territory.

Section 8 is one which provides for the payment from the Cherokee Indian funds to certain Indians whom the court has held were deprived of their proportionate share of the funds when it was disopsed of.

Section 9 relates to a school in New Mexico which was created through the beneficence of Mother Drexel, in Philadelphia, which school has been maintained solely by her. This permits her to obtain a patent to the land now occupied by this school, she having already spent from $12,000 to $16,000 in purchasing the alleged rights of a lot of squatters who were on that land.

Section 10 authorizes the alienation of lands that are now inalienable in the Indian Territory, where they are needed as school sites. That is what this bill does, Mr. Speaker.

Mr. WALDO. Will the gentleman yield for a question?

Mr. SHERMAN. Certainly.

Mr. WALDO. Have you any knowledge as to the amount of the claim made under section 2?

Mr. SHERMAN. Yes; as I recall it now, it is about $58,000.

Mr WALDO. And then, under the fifth section, the claim made against the Choctaw Nation, have you any idea about that?

Mr. SHERMAN. The Garland claim?

Mr. WALDO. Yes.

Mr. SHERMAN. The gentleman reporting the bill [Mr. CLAYTON] could answer that question, but I am informed that he is unable to be here this afternoon, and I can not say from memory; but it is in the thousands of dollars, I can not tell how many. I reserve the balance of my time.

Mr. FITZGERALD. Mr. Speaker, it is impossible to take the bill and examine it and ascertain exactly what is in it. I am familiar with a great many items in the bill, having examined them when they were reported from the Committee on Indian Affairs in separate bills. I am not in favor of passing omnibus bills under the present rules. It is utterly impossible for any Member of the House either to keep track of what the House is doing or in any way to reach any particular item, if his objection to it should be sufficient to convince the House that that particular item should not pass. I believe it is a bad practice, regardless of the items in this bill, and I undertake to say that with the exception of a few members of the Committee on Indian Affairs who, I have no doubt, have considered very carefully all of the items in the bill, it is not possible for any other Member of the House intelligently to determine whether these items meet his judgment.

I have no desire to take the time of the House or to delay action upon the bill, but I do wish to express my dissatisfaction with this method of incorporating into one bill a large number of independent items.

Mr. STEPHENS of Texas. Is the gentleman aware that under the present conditions in the House, and the nearness of approach to the end of the session, it is impossible to get these various bills through unless we do group them into one general bill? They are matters of detail, every one of them a business matter.

Mr. FITZGERALD. The gentleman has twice stated that they are matters of detail. They are not all matters of detail.

Mr. STEPHENS of Texas. We have examined them very carefully in our committee.

Mr. FITZGERALD. I have not criticised any particular item. It is impossible to do so intelligently under the conditions. I wish to express my dissatisfaction with the policy of incorporating into one bill a large number of independent matters that have no relation to one another, so that no Member, even if he desired, would be able to point out legitimate objections to the several parts.

I have no desire to use any further time, and unless somebody else wishes time I shall reserve it.

Mr. SHERMAN. If the gentleman does not desire to use the balance of his time, I ask for a vote.

The SPEAKER. The question is on suspending the rules, agreeing to the amendments, and passing the bill.

Mr. CLARK of Missouri. The yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

RECESS.

Mr. PAYNE. Pending that, I move that the House do now take a recess until 11.30 o'clock to-morrow morning.

Mr. CLARK of Missouri. The yeas and nays upon that motion, Mr. Speaker.

The SPEAKER. Pending the taking of the yeas and nays, the gentleman from New York [Mr. PAYNE] moves that the House take a recess until to-morrow morning at 11.30 o'clock, and upon that motion the gentleman from Missouri also asks the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 128, nays 63, answered "present" 13, not voting 184, as follows:

YEAS—128.

Adair	Denby	Huff	Parsons
Alexander, Mo.	Diekema	Humphrey, Wash.	Payne
Allen	Driscoll	James, Addison D.	Perkins
Ames	Durey	Jenkins	Pollard
Andrus	Ellis, Oreg.	Jones, Wash.	Pray
Barchfeld	Englebright	Keifer	Rainey
Bede	Esch	Kennedy, Iowa	Reeder
Bennet, N. Y.	Fassett	Kennedy, Ohio	Russell, Mo.
Bonynge	Focht	Kinkaid	Shackleford
Boutell	Foster, Ind.	Knowland	Slemp
Boyd	French	Lafean	Smith, Cal.
Brownlow	Fuller	Laning	Smith, Iowa
Burleigh	Gaines, W. Va.	Lawrence	Snapp
Burton, Ohio	Gardner, N. J.	Lindbergh	Southwick
Calderhead	Gilhams	Longworth	Steenerson
Campbell	Goebel	Lorimer	Stevens, Minn.
Capron	Graff	Loud	Sturgiss
Cary	Greene	Loudenslager	Sulloway
Chaney	Hale	Lovering	Tawney
Chapman	Hall	McKinley, Ill.	Taylor, Ohio
Cook, Colo.	Hamilton, Iowa	McKinney	Thistlewood
Cooper, Pa.	Hamilton, Mich.	Miller	Tirrell
Cooper, Tex.	Haugen	Moore, Pa.	Townsend
Coudrey	Hawley	Mouser	Volstead
Crumpacker	Hayes	Murdock	Waldo
Currier	Higgins	Needham	Washburn
Dalzell	Hill, Conn.	Norris	Wheeler
Darragh	Hinshaw	Nye	Wilson, Ill.
Davis, Minn.	Howard	Olcott	Wood
Dawes	Howell, Utah	Olmsted	Woodyard
Dawson	Howland	Overstreet	Young
De Armond	Hubbard, W. Va.	Parker, N. J.	The Speaker

NAYS—63.

Aiken	Dixon	Hardwick	Moon, Tenn.
Ashbrook	Ellerbe	Hardy	Moore, Tex.
Bartlett, Nev.	Ferris	Harrison	Nicholls
Beall, Tex.	Finley	Heflin	O'Connell
Bell, Ga.	Fitzgerald	Helm	Page
Booher	Floyd	Henry, Tex.	Randell, Tex.
Bowers	Foster, Ill.	Hill, Miss.	Robinson
Brodhead	Gaines, Tenn.	Houston	Russell, Tex.
Burgess	Garner	Hughes, N. J.	Ryan
Candler	Garrett	Hull, Tenn.	Sabath
Carter	Gillespie	Johnson, Ky.	Spight
Clark, Mo.	Godwin	Kelliher	Stephens, Tex.
Cox, Ind.	Goulden	Kitchin, Claude	Watkins
Craig	Granger	Lloyd	Webb
Davenport	Hackney	McHenry	Wilson, Pa.
Denver	Hamlin	Macon	

ANSWERED "PRESENT"—13.

Clayton	Holliday	Rauch	Talbott
Flood	McMorran	Rothermel	
Gordon	Mann	Sherman	
Haggott	Padgett	Small	

NOT VOTING—184.

Acheson	Caldwell	Fornes	Howell, N. J.
Adamson	Carlin	Foss	Hubbard, Iowa
Alexander, N. Y.	Caulfield	Foster, Vt.	Hughes, W. Va.
Ansberry	Clark, Fla.	Foulkrod	Hull, Iowa
Anthony	Cockran	Fowler	Humphreys, Miss.
Bannon	Cocks, N. Y.	Fulton	Jackson
Barclay	Cole	Gardner, Mass.	James, Ollie M.
Bartholdt	Conner	Gardner, Mich.	Johnson, S. C.
Bartlett, Ga.	Cook, Pa.	Gill	Jones, Va.
Bates	Cooper, Wis.	Gillett	Kahn
Beale, Pa.	Cousins	Glass	Kimball
Bennett, Ky.	Cravens	Goldfogle	Kipp
Bingham	Crawford	Graham	Kitchin, Wm. W.
Birdsall	Cushman	Gregg	Knapp
Bradley	Davey, La.	Griggs	Knopf
Brantley	Davidson	Gronna	Küstermann
Broussard	Douglas	Hackett	Lamar, Fla.
Brumm	Draper	Hamill	Lamar, Mo.
Brundidge	Dunwell	Hammond	Lamb
Burke	Dwight	Harding	Landis
Burton, Del.	Edwards, Ga.	Haskins	Langley
Butler	Edwards, Ky.	Hay	Lassiter
Burleson	Ellis, Mo.	Henry, Conn.	Law
Burnett	Fairchild	Hepburn	Leake
Byrd	Favrot	Hitchcock	Lee
Calder	Fordney	Hobson	Legare

Lenahan	Malby	Reid	Stafford
Lever	Marshall	Reynolds	Stanley
Lewis	Maynard	Rhinock	Sterling
Lilley	Mondell	Richardson	Sulzer
Lindsay	Moon, Pa.	Riordan	Taylor, Ala.
Littlefield	Morse	Roberts	Thomas, N. C.
Livingston	Mudd	Rodenberg	Thomas, Ohio
Lowden	Murphy	Rucker	Tou Velle
McCall	Nelson	Saunders	Underwood
McCreary	Parker, S. Dak.	Scott	Vreeland
McDermott	Patterson	Sheppard	Wallace
McGavin	Pearre	Sherley	Wanger
McGuire	Peters	Sherwood	Watson
McKinlay, Cal.	Porter	Sims	Weeks
McLain	Pou	Slayden	Weems
McLachlan, Cal.	Powers	Smith, Mich.	Weisse
McLaughlin, Mich.	Pratt	Smith, Mo.	Wiley
McMillan	Prince	Smith, Tex.	Willett
Madden	Pujo	Sparkman	Williams
Madison	Ransdell, La.	Sperry	Wolf

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. VREELAND with Mr. UNDERWOOD.

Mr. STERLING with Mr. TOU VELLE.

Mr. SCOTT with Mr. SULZER.

Mr. NELSON with Mr. SHERWOOD.

Mr. LANGLEY with Mr. SHERLEY.

Mr. LANDIS with Mr. RUCKER.

Mr. KÜSTERMANN with Mr. MURPHY.

Mr. HOWELL of New Jersey with Mr. LASSITER.

Mr. DWIGHT with Mr. LEE.

Mr. DAVIDSON with Mr. LAMB.

Mr. CUSHMAN with Mr. JONES of Virginia.

Mr. BURTON of Delaware with Mr. JOHNSON of South Carolina.

Mr. BEALE of Pennsylvania with Mr. BURNETT.

Mr. BARTHOLDT with Mr. BRUNDIDGE.

Mr. ACHESON with Mr. BRANTLEY.

Mr. DRAPER with Mr. RICHARDSON.

Mr. HASKINS with Mr. ROTHERMEL.

Mr. HOLLIDAY with Mr. SLAYDEN.

Mr. KAHN with Mr. PATTERSON.

For the balance of the day:

Mr. FOSTER of Vermont with Mr. POU.

On this vote:

Mr. COOPER of Wisconsin with Mr. SMITH of Missouri.

Mr. CAULFIELD with Mr. CLAYTON.

Mr. RODENBERG with Mr. RAUCH.

The result of the vote was then announced as above recorded.

Accordingly (at 6 o'clock and 15 minutes p. m.), the House was declared in recess until to-morrow at 11.30 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, the following executive communications were taken from the Speaker's table and referred as follows:

A letter from the Acting Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination and survey of Lynn Harbor, Massachusetts (H. R. Doc. 948)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of Commerce and Labor, transmitting Part I of the report of the Commissioner of Corporations on cotton exchanges (H. R. Doc. 949)—to the Committee on Interstate and Foreign Commerce and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a letter from the Acting Secretary of War submitting an estimate of appropriation for care of insane Filipino soldiers for the fiscal year ending June 30, 1908 (H. R. Doc. 946)—to the Committee on Appropriations and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a letter from the Acting Secretary of War submitting an estimate of appropriation for care of insane Filipino soldiers for the fiscal year ending June 30, 1909 (H. R. Doc. 947)—to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several Calendars therein named as follows:

Mr. HAMILTON of Michigan, from the Committee on the Territories, to which was referred the bill of the House (H. R. 21957) relating to affairs in the Territories, reported the same without amendment, accompanied by a report (No. 1687), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. McCALL, from the Committee on the Library, to which was referred the resolution of the House (H. Res. 419) directing the Superintendent of the Capitol Building and Grounds to rearrange the Hall of the House of Representatives and the seating arrangements therein, reported the same without amendment, accompanied by a report (No. 1688), which said bill and report were referred to the House Calendar.

Mr. RODENBERG, from the Select Committee on Industrial Arts and Expositions, to which was referred the bill of the Senate (S. 4639) to provide for participation by the United States in an international exposition to be held at Tokyo, Japan, in 1912, reported the same with amendments, accompanied by a report (No. 1689), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BOUTELL, from the Committee on Ways and Means, to which was referred the bill of the House (H. R. 21129) to provide for refunding stamp taxes paid under the act of June 13, 1898, and upon foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries, reported the same without amendment, accompanied by a report (No. 1693), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. LANDIS, from the Committee on Foreign Affairs, to which was referred the bill of the House (H. R. 13467) constituting a commission to investigate diplomatic and consular affairs, reported the same without amendment, accompanied by a report (No. 1696), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GREGG, from the Committee on Naval Affairs, to which was referred the bill of the Senate (S. 1162) to correct the naval record of Alfred Burgess, reported the same without amendment, accompanied by a report (No. 1694), which said bill and report were referred to the Private Calendar.

ADVERSE REPORTS.

Under clause 2 of Rule XIII, adverse reports were delivered to the Clerk, and laid on the table, as follows:

Mr. PRINCE, from the Committee on Military Affairs, to which was referred the bill of the House (H. R. 18855) to correct the muster roll of William H. Nelson in the First Tennessee Volunteer Infantry and in the Fifth Tennessee Volunteer Cavalry, reported the same adversely, accompanied by a report (No. 1692), which said bill and report were laid on the table.

Mr. MONDELL, from the Committee on the Public Lands, to which was referred the bill of the Senate (S. 550) providing for stated leaves of absence to entrymen under the homestead laws, reported the same adversely, accompanied by a report (No. 1690), which said bill and report were laid on the table.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 1791) to remove the charge of desertion from the military record of John Keys, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. MACON: A bill (H. R. 21979) to quiet and confirm the title of the State of Arkansas to certain sunk, swamp, and overflowed lands—to the Committee on the Public Lands.

By Mr. CANNON (by request): A bill (H. R. 21980) to prevent the unauthorized wearing or use of badges, name, titles of officers, insignia, ritual, or ceremonies of the Benevolent and Protective Order of Elks of the United States of America—to the Committee on the District of Columbia.

By Mr. HILL of Connecticut: A bill (H. R. 21981) authorizing a survey of Goodwives Creek, town of Darien, Fairfield County, Conn., with a view to improvement of navigation—to the Committee on Rivers and Harbors.

By Mr. MANN: A bill (H. R. 21982) relating to the transportation of habit-forming and poisonous drugs in interstate and

foreign commerce, and for other purposes—to the Committee on Interstate and Foreign Commerce.

By Mr. HEFLIN: A bill (H. R. 21983) authorizing the construction of a suitable building at Fort Deposit, Ala., in lieu of the armory which belonged to the National Guard of said place and was destroyed by the recent storm that swept over Fort Deposit—to the Committee on Military Affairs.

By Mr. SULZER: A bill (H. R. 21984) to amend and consolidate the acts respecting copyrights—to the Committee on Patents.

By Mr. McCALL: A bill (H. R. 21985) for the enlargement of the Capitol grounds and for the erection of a monument or monumental memorial to Abraham Lincoln—to the Committee on the Library.

By Mr. SCOTT: A bill (H. R. 21986) to enable any State to ccoperate with any other State or States, or with the United States, for the conservation of the navigability of navigable rivers, and to provide for the appointment of a commission—to the Committee on Agriculture.

By Mr. MOORE of Pennsylvania: A bill (H. R. 21987) to provide for payment of interest on judgments rendered against the United States—to the Committee on the Judiciary.

By Mr. CRUMPACKER: A bill (H. R. 21988) providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected, prohibiting fraud in registrations and elections, and providing data for the appointment of Representatives among the States—to the Committee on the Census.

By Mr. BEALL of Texas: A bill (H. R. 21989) limiting the power of circuit and district courts of the United States and the judges thereof to issue injunctions and restraining orders against State laws and State officers—to the Committee on the Judiciary.

Also, a bill (H. R. 21990) to encourage and promote commerce among States and with foreign nations, and to remove obstructions thereto—to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 21991) prescribing the manner in which injunctions and temporary restraining orders may be issued—to the Committee on the Judiciary.

By Mr. GAINES of Tennessee: Concurrent resolution (H. C. Res. 42) providing for the printing of additional copies of sheets of soil survey in Montgomery and Davidson counties, Tenn.—to the Committee on Printing.

Br. Mr. SULZER: Memorial of the legislature of New York relating to the contingent expenses of the war of 1812—to the Committee on War Claims.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. CALDERHEAD: A bill (H. R. 21992) for the relief of James Baldwin—to the Committee on Military Affairs.

By Mr. CLAYTON: A bill (H. R. 21993) for the relief of the State of Alabama—to the Committee on War Claims.

By Mr. CRUMPACKER: A bill (H. R. 21994) granting a pension to Mable Hullinger—to the Committee on Invalid Pensions.

By Mr. DENBY: A bill (H. R. 21995) granting a pension to Sophie M. Guard—to the Committee on Pensions.

By Mr. GARRETT: A bill (H. R. 21996) granting an increase of pension to Charles Henry—to the Committee on Invalid Pensions.

By Mr. ADDISON D. JAMES: A bill (H. R. 21997) granting an increase of pension to William L. Brown—to the Committee on Invalid Pensions.

By Mr. NYE: A bill (H. R. 21998) granting an increase of pension to Joseph Robichaud—to the Committee on Invalid Pensions.

By Mr. PEARRE: A bill (H. R. 21999) granting an increase of pension to Samuel K. Snively—to the Committee on Invalid Pensions.

By Mr. PUJO: A bill (H. R. 22000) granting an increase of pension to Henry E. Hall—to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 22001) granting an increase of pension to Napoleon B. Greathouse—to the Committee on Invalid Pensions.

Also, a bill (H. R. 22002) granting an increase of pension to Balce S. Hicks—to the Committee on Invalid Pensions.

Also, a bill (H. R. 22003) granting a pension to Andrew J. Arnett—to the Committee on Invalid Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 22004) granting an increase of pension to Esther Lake—to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 22005) for the relief of Sidney Smith—to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ALEXANDER of New York: Petitions of R. Miller, H. Hirshman, M. Jacobs, Sidney Beard, Howard E. Hull, and Pattern Makers' Association of Buffalo, for exemption of labor unions from the operations of the Sherman antitrust law, for the Pearre bill regulating injunctions, for the employers' liability act, and for the eight-hour law—to the Committee on the Judiciary.

By Mr. AMES: Petition of citizens of Fifth Massachusetts Congressional District, favoring H. R. 18445, to investigate and develop methods of treatment of tuberculosis—to the Committee on Interstate and Foreign Commerce.

By Mr. BRODHEAD: Petition of Delaware Valley Lodge, No. 768, Brotherhood of Railway Trainmen, for the Hemenway-Graff ash-pan bill—to the Committee on Interstate and Foreign Commerce.

By Mr. BROWNLOW: Paper to accompany bill for relief of heirs of Henry Johnson—to the Committee on War Claims.

By Mr. BURLEIGH: Petitions of Brotherhood of Paper Makers, of Madison, Me., and citizens of Madison and Anson, Me., for amendment to the Sherman antitrust law (H. R. 20584), for the Pearre bill (H. R. 94), for a just and clearly defined general employers' liability law, and for an eight-hour law—to the Committee on the Judiciary.

By Mr. CALDERHEAD: Petition of Kansas Pharmaceutical Association, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. CARY: Petition of citizens of Milwaukee, Wis., for the enactment of the bill (H. R. 20584) amending the Sherman antitrust law; H. R. 94, to define the injunction power and restrain its abuse; for the enactment of an employers' liability law, and for the extension of the provisions of the eight-hour law—to the Committee on the Judiciary.

By Mr. CHANEY: Petition of citizens of Cannelburg, Ind., for amendment to Sherman antitrust law, and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. DAVIS of Minnesota: Petition of Minnesota Builders' Association, against anti-injunction legislation—to the Committee on the Judiciary.

Also, petition of Frederick W. Foot and others, of Red Wing, Minn., for the creation of a national highways commission (H. R. 15837) and appropriation for Federal assistance in construction of public highways—to the Committee on Agriculture.

Also, petition of William L. Baxter Post, Grand Army of the Republic, of Chaska, Minn., against discontinuance of United States pension agencies—to the Committee on Appropriations.

By Mr. DOUGLAS: Petition of citizens of Chillicothe, Ohio, favoring bills affecting labor, amendment to Sherman antitrust law, the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. FULLER: Petition of Rockford (Ill.) Central Labor Union, for a parcels-post law and postal savings bank—to the Committee on the Post-Office and Post-Roads.

Also, petition of Rockford (Ill.) Merchants and Business Men's Association, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

Also, petition of G. A. Crowden, publisher of the Fair Dealer, for removal of duty on wood pulp—to the Committee on Ways and Means.

Also, petition of W. H. Knowles, of Ottawa, Ill., against anti-injunction bills—to the Committee on the Judiciary.

Also, petition of citizens of Sycamore, Ill., for amendment to Sherman antitrust law, and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

Also, petition of William H. Henkle, representing the Illinois Trust and Savings Bank, of Chicago, for H. R. 20311 and S. 6367, for refunding moneys collected under law of 1898—to the Committee on Ways and Means.

By Mr. GILLESPIE: Petition of Local Branch No. 82, United Brotherhood of Leather Workers on Horse Goods, for the enactment of the bills H. R. 94 and H. R. 20584, a general employers' liability law, and bill limiting a day's labor to eight hours upon work done for the Government—to the Committee on the Judiciary.

By Mr. GRANGER: Petition of Providence Division, Brotherhood of Locomotive Engineers, urging passage of Rodenberg anti-injunction bill—to the Committee on the Judiciary.

By Mr. HAMILL: Petition of citizens of Hoboken, N. J.,

urging establishment of a national bison range in Montana—to the Committee on Indian Affairs.

By Mr. HENRY of Texas: Petition of Federal Labor Union, No. 11953, for legislation and modification of the Sherman antitrust law, for employers' liability law, for limitation on injunction, and for the extension of the eight-hour law—to the Committee on the Judiciary.

By Mr. HIGGINS: Petition of J. F. Moriarty and others, of Norwich, Conn., for the enactment of the bills H. R. 94 and H. R. 20584, a general employers' liability law, and bill limiting a day's labor to eight hours upon work done by the Government—to the Committee on the Judiciary.

By Mr. HOWELL of New Jersey: Paper to accompany bill for relief of Catherine E. Dohm—to the Committee on Invalid Pensions.

By Mr. HOWELL of Utah: Petitions of James Greenwell, Andrew H. Martin, and James Heron, of Ogden, Utah, for amendment to Sherman antitrust law, and for Pearre bill, employers' liability bill, and eight-hour law—to the Committee on the Judiciary.

By Mr. HOWLAND: Petitions of Forest City Lodge, No. 10, Brotherhood of Locomotive Firemen and Engineers, and Brotherhood of Railway Trainmen, of Painesville, Ohio, for the Rodenberg anti-injunction bill—to the Committee on the Judiciary.

Also, petition of Builders' Exchange of Cleveland, Ohio, against any anti-injunction legislation—to the Committee on the Judiciary.

By Mr. HUBBARD of West Virginia: Petition of M. A. Walton and 103 others, of Cameron, W. Va., favoring S. 5117 and H. R. 18445, to investigate and develop methods of treatment of tuberculosis—to the Committee on Interstate and Foreign Commerce.

Also, paper to accompany bill for relief of Carrie Duffy—to the Committee on Pensions.

By Mr. HUFF: Petition of Croft & Allen Company, of Philadelphia, against anti-injunction legislation—to the Committee on the Judiciary.

By Mr. JENKINS: Petition of citizens of Superior and Duluth, for enactment of the bills H. R. 94 and H. R. 20584, a general employers' liability law, and bill limiting a day's labor to eight hours—to the Committee on the Judiciary.

By Mr. JONES of Washington: Petition of A. F. Specht, secretary of Lumbermen's Freight Rate Commission, for amendment of the interstate-commerce act whereby Commission may investigate advances in freight rates as to reasonableness before they become effective—to the Committee on Interstate and Foreign Commerce.

By Mr. LANING: Petition of Robert Holcomb and others, of Lagrange, Ohio, against extension of national nine-hour law—to the Committee on Interstate and Foreign Commerce.

Also, petition of William G. Saxton and other citizens of Grafton, Ohio, against extension of the national nine-hour law—to the Committee on Interstate and Foreign Commerce.

Also, petition of Clyde Green and other citizens of the State of Ohio, for construction of one battle ship in a United States navy-yard—to the Committee on Naval Affairs.

Also, petition of James Welty and other citizens of Huron and Richland counties, Ohio, favoring a parcels-post law—to the Committee on the Post-Office and Post-Roads.

Also, petition of William Honecker and other citizens of Lorain County, Ohio, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. LAFEAN: Petition of Merchants' Association of York, Pa., favoring the appointment of a currency commission—to the Committee on Banking and Currency.

By Mr. LEE: Paper to accompany bill for relief of O. F. Prewitt, heir of Joel R. Prewitt—to the Committee on War Claims.

By Mr. LINDBERGH: Petition of American Association of Masters, Mates, and Pilots of San Francisco, Cal., against H. R. 225 and S. 5787—to the Committee on the Merchant Marine and Fisheries.

By Mr. LOUD: Petition of Local Union No. 840, United Mine Workers of America, of West Bay City, Mich., for the enactment of the bills H. R. 94 and H. R. 20584, a general employers' liability law, and bill limiting a day's labor to eight hours upon work done for the Government—to the Committee on the Judiciary.

By Mr. McDERMOTT: Petitions of Grain Elevator Employees' Union, J. W. Saper, W. E. Fuller, and A. E. De Groodt, for exemption of labor unions from the operations of the Sherman antitrust law, for the Pearre bill regulating injunctions, for the employers' liability act, and for the eight-hour law—to the Committee on the Judiciary.

By Mr. McMILLAN: Petition of Local Union No. 84, of Wappingers Falls, for amendment proposed by American Federation of Labor conference to the Sherman antitrust law, for the Pearre bill, the employers' liability bill, and the extension of the national eight-hour law—to the Committee on the Judiciary.

By Mr. McMORRAN: Petition of St. Clair Lodge, No. 241, Brotherhood of Railway Trainmen, of Port Huron Tunnel, Michigan, for the Rodenberg anti-injunction bill and Graff ash-pan bill (H. R. 17137 and H. R. 19795)—to the Committee on the Judiciary.

By Mr. MALBY: Petition of Minnesota State Association of Builders' Exchanges, against anti-injunction legislation—to the Committee on the Judiciary.

By Mr. MAYNARD: Petition of citizens of Virginia, favoring bills affecting labor, amendment to Sherman antitrust law, the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. MOON of Tennessee: Petition of citizens of Memphis, Tenn., for exemption of labor unions from the operations of the Sherman antitrust law, for the Pearre bill regulating injunctions, for the employers' liability act, and for the eight-hour law—to the Committee on the Judiciary.

By Mr. NEEDHAM: Petition of citizens of Santa Cruz, Cal., favoring bills affecting labor, amendment to Sherman antitrust law, the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. O'CONNELL: Petition of Copley Society of Boston, for legislation to conserve the natural resources of the country—to the Committee on Agriculture.

By Mr. PRAY: Petitions of Ed Johnson and other citizens of Anaconda, Mont.; and District No. 70, Great Northern System, Order of Railway Telegraphers, of Logan, Mont., for amendment to Sherman antitrust law, and for Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. PUJO: Paper to accompany bill for relief of Henry E. Hall—to the Committee on Invalid Pensions.

By Mr. RHINOCK: Petition of citizens of Covington, Ky., for amendment to Sherman antitrust law, and for the Pearre bill, employers' liability bill, and the eight-hour bill—to the Committee on the Judiciary.

By Mr. RYAN: Petitions of—

F. C. Watkins, Division No. 659, Brotherhood of Locomotive Engineers;

H. Maloney, Division No. 533, Brotherhood of Locomotive Engineers;

W. J. Miner, Division No. 382, Brotherhood of Locomotive Engineers;

J. Rives, Division No. 328, Brotherhood of Locomotive Engineers;

W. F. Olewen, Division No. 421, Brotherhood of Locomotive Engineers; and

J. Gannah, Division No. 15, Brotherhood of Locomotive Engineers—

all of the city of Buffalo, favoring the Rodenberg anti-injunction bill and the Hemenway-Graff safety-ash-pan bill—to the Committee on Interstate and Foreign Commerce.

Also, papers to accompany bills for relief of George M. Smith and George R. Belcher—to the Committee on Invalid Pensions.

By Mr. SHERMAN: Petition of Pennsylvania State Council, Knights of Columbus, for making October 12 a national holiday—to the Committee on Rules.

Also, petition of New Century Club, of Utica, N. Y., for concurrent resolution 28, deploring acts of violence on part of the Russian Government—to the Committee on Foreign Affairs.

By Mr. SHERWOOD: Petition of citizens of Toledo, Ohio, for legislation and modification of the Sherman antitrust law, for employers' liability law, for limitation on injunction, and for the extension of the eight-hour law—to the Committee on the Judiciary.

By Mr. SIMS: Petition of citizens of Tennessee, for the enactment of the bills H. R. 94 and H. R. 20584, a general employers' liability law, and bill limiting a day's labor to eight hours upon work done for the Government—to the Committee on the Judiciary.

By Mr. SMITH of California: Petition of U. J. Cooley and others, of Inyo County, Cal., for investigation of acts of reclamation and forestry department in matters affecting Owens River Valley, California—to the Committee on Agriculture.

By Mr. STEPHENS of Texas: Petition of Nathan B. Williams and others, urging passage of H. R. 12650, providing for a postal commission to revise the postal laws—to the Committee on the Post-Office and Post-Roads.

Also, petition of National Association of Credit Men, of New York City, favoring amendment to bankruptcy law as embodied in H. R. 13266—to the Committee on the Judiciary.

Also, petition of American Federation of Labor of Corpus Christi, Tex., for amendment proposed by American Federation of Labor conference to the Sherman antitrust law, for the Pearre bill, the employers' liability bill, and the extension of the national eight-hour law—to the Committee on the Judiciary.

By Mr. SULZER: Petition of New York Board of Trade and Transportation, for continuance of investigations of river and harbor resources of the United States—to the Committee on Rivers and Harbors.

Also, petition of United Harbor No. 1, American Association of Masters, Mates, and Pilots, for Senate joint resolution 40, relative to carrying all Government supplies in American bottoms—to the Committee on the Merchant Marine and Fisheries.

Also, petition of M. B. Steczynski, favoring Bates resolution of sympathy for the Prussian Poles—to the Committee on Foreign Affairs.

Also, petition of the Texas Company, for an embargo on Venezuelan asphalt—to the Committee on Ways and Means.

Also, petition of Fort Wayne Clearing House, against the Aldrich currency bill—to the Committee on Banking and Currency.

Also, petition of George Ward Cook, for the Currier-Lever bill—to the Committee on Agriculture.

Also, petition of citizens of New York, for legislation and modification of the Sherman antitrust law, for employers' liability law, for limitation on injunction, and for the extension of the eight-hour law—to the Committee on the Judiciary.

Also, petition of Medical Society of County of New York, for a pension for widows of Dr. James W. Lazear and Dr. James Carroll—to the Committee on Pensions.

Also, petition of Kansas City Clearing House Association, against the Aldrich currency bill (S. 3023)—to the Committee on Banking and Currency.

Also, petition of Cigar Packers' Union, No. 251, of New York, for the passage of the Wilson bill (H. R. 20584), Pearre bill (H. R. 94), employers' liability bill, and labor's eight-hour bill—to the Committee on the Judiciary.

Also, petition of Levering & Garriques Company, against all anti-injunction legislation—to the Committee on the Judiciary.

Also, paper to accompany bill for relief of State of New York in matter of claim for contingent expenses in war of 1812—to the Committee on Claims.

Also, petition of Memorial School of Technology, for H. R. 9230, to establish engineering experiment stations at land-grant colleges (H. R. 10457 and 6122)—to the Committee on Agriculture.

Also, petition of Chamber of Commerce of City of Richmond, against the Aldrich currency bill (S. 3023)—to the Committee on Banking and Currency.

By Mr. WANGER: Petition of Lumber City Lodge, No. 524, Brotherhood of Railway Trainmen, of Galeton, Pa., favoring action at this session on the Rodenberg anti-injunction bill and the Hemenway-Graff ash-pan bill—to the Committee on Interstate and Foreign Commerce.

SENATE.

TUESDAY, *May 19, 1908.*

Prayer by Rev. ULYSSES G. B. PIERCE, of the city of Washington.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. KEAN, and by unanimous consent, the further reading was dispensed with.

The VICE-PRESIDENT. The Journal stands approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the House had passed the joint resolution (S. R. 51) providing for additional lands for Idaho under the provisions of the Carey Act, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 3153) to make Monterey and Port Harford, in the State of California, subports of entry, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to the following bills and joint resolution:

H. R. 15841. An act to amend section 4896 of the Revised Statutes;

H. R. 17703. An act amending section 4885 of the Revised Statutes; and

H. J. Res. 124. Joint resolution authorizing the presentation of the statue of President Washington, now located in the Capitol grounds, to the Smithsonian Institution.

The message also announced that the House had passed a bill (H. R. 21946) making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1908, and for prior years, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the Speaker of the House had appointed Mr. MCGUIRE as a member of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15641) for the removal of restrictions from part of the lands of allottees of the Five Civilized Tribes, and for other purposes, in the place of Mr. KNAPP, relieved.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice-President:

H. R. 14382. An act to establish a United States court at Jackson, in the eastern district of Kentucky;

H. R. 20345. An act making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1909; and

S. R. 90. Joint resolution to amend an act authorizing the construction of bridges across navigable waters, and so forth.

HOUSE BILL REFERRED.

H. R. 21946. An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1908, and for prior years, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS.

Mr. DICK presented petitions of sundry labor organizations of Painesville and Cleveland, in the State of Ohio, praying for the passage of the so-called "Rodenberg anti-injunction bill" and for the enactment of legislation requiring railroad companies to equip their locomotives with automatic self-dumping and self-cleaning ash pans, which were referred to the Committee on Interstate Commerce.

He also presented a petition of Local Union No. 338, Journeymen Barbers' International Union of America, of Chillicothe, Ohio, praying for the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which was referred to the Committee on the Judiciary.

He also presented a petition of the Council of Women of Toledo, Ohio, praying for the enactment of legislation to regulate the employment of child labor in the District of Columbia, which was ordered to lie on the table.

He also presented a petition of the Council of Jewish Women of Marion, Ohio, praying for the enactment of legislation to establish public playgrounds in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a memorial of sundry citizens of Mansfield, Ohio, and a memorial of sundry citizens of Salem, Ohio, remonstrating against the enactment of legislation to extend the right of naturalization, which were referred to the Committee on Immigration.

He also presented a petition of the Epworth League of the Clark Street Methodist Episcopal Church, of Toledo, Ohio, praying for the enactment of legislation providing for the conservation of the natural resources of the country, which was referred to the Committee on Forest Reservations and the Protection of Game.

He also presented memorials of sundry business firms of Cleveland, Toledo, Akron, and Bellaire, all in the State of Ohio, remonstrating against the adoption of certain amendments to the so-called "Sherman antitrust law" relating to labor organizations, which were referred to the Committee on the Judiciary.

Mr. GORE. I present petitions, in the nature of telegrams, from citizens of Haileyville and Chickasha, Okla., relative to the anti-injunction bill. I ask that the telegrams be printed in the RECORD and referred to the Committee on the Judiciary.

There being no objection, the telegrams were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

[Telegram.]

CHICKASHA, OKLA., *May 18, 1908.*

Hon. T. P. GORE, *Washington, D. C.:*

Division 523, B. of L. E., wish you urge the passage of bill H. R. 17137, also bills S. 6320 and H. R. 19795 at this session of Congress. Please present this to Congress as a memorial in behalf of the legislation.

H. A. DECKER.